

UNFCCC

In Preparation for COP-8

The 5–14 June meeting of the Subsidiary Bodies (SB-16) to the 1992 United Nations Framework Convention on Climate Change (UNFCCC) held in Bonn, Germany, was mainly to prepare for the Eighth Conference of the Parties (COP-8), to be held in November in New Delhi, India.

Following three years of negotiations on the operational details of the Kyoto Protocol on the reduction of greenhouse gases,¹ delegates were aware that the Bonn meeting was the start of a new phase of negotiations, focusing on the implementation of the Marrakesh Accord² to the Bonn Agreements.³ However, it became clear at the beginning of the Meeting just how divergent the views of the Parties were on the direction the climate process should take.

Although a consensus was finally achieved on a number of draft decisions, a big question mark still remains as to whether there should or will be a renegotiation of the Bonn and Marrakesh Agreements relating to the implementation of the Kyoto Protocol.

The question was posed at the beginning of the session when Canada asked for emission credits in exchange for sales of 'clean' energy to the United States. It also called for a new definition of forests and reforestation to be taken into account when calculating carbon sinks.

Delegates regarded the requests to be totally unacceptable, as they were tantamount to a renegotiation of the entire *acquis* of the Bonn and Marrakesh (COP-7) conferences. For the vast majority of countries – in particular the EU and the G-77 – it would be unacceptable to reopen the debate on the Kyoto targets.

Canada's proposals on cleaner energy exports and sinks under the Clean Development Mechanism (CDM),⁴ which would reduce the costs of meeting the country's emissions reduction target, were viewed by many delegates as an attempt to reopen the deal struck in Marrakesh for better terms. In its own defence, Canada listed a whole range of reasons for its position, including the political and economic sensitivities of several Canadian provinces, and the

unforeseen US decision to repudiate the Protocol. Canada claims that if its companies have to reduce emissions under the Protocol, they will face a competitive disadvantage relative to their US counterparts. They claim that better terms would make ratification more politically palatable.

There is now a general fear that Canada's demands will inspire other countries to lodge similar requests. Russia has declared the Canadian notion to be 'interesting, generous and worthy of further study'. Russia could take similar action, basing its own case on its gas exports. The Russian Government also realises that, following the submission of instruments of ratification of the Kyoto Protocol by the EU, Japan, Norway, Slovakia, the Czech Republic, Iceland and Romania, it remains, together with Poland,

one of the two key players in ensuring the entry into force of the Protocol. There is little doubt that Russia will continue to apply pressure on the EU to secure real guarantees, for example with regard to technology transfer. While the Russian Government has signalled its political willingness to ratify the Protocol, considerable uncertainty continues to cloud the process.

What seems to be quite certain is that Canada, in spite of the clear opposition of almost all countries, intends to stand firm on its position and table a proposal. Therefore, according to the procedures applied in this body, the question will have to be included on the agenda for COP-8 and discussed by ministers in New Delhi. (MJ)

Notes:

¹ See *Environmental Policy and Law*, Vol. 28, No. 2 (1998) at page 63 for details of the provisions of the Kyoto Protocol.

² See *Environmental Policy and Law*, Vol. 32, No. 1 (2002) at page 14 for a full report of the Seventh Session of the Conference of the Parties (COP-7) to the UN Framework Convention on Climate Change held in Marrakesh.

³ See *Environmental Policy and Law*, Vol. 28, Nos. 3-4 (1998) at page 160 on implementation measures agreed.

⁴ The Protocol allows for the inclusion of a number of measures, which were designed to assist countries through collaboration to meet their targets. These measures became known as 'flexible mechanisms' and included the CDM. See *Environmental Policy and Law*, Vol. 31, No. 1 (2001) at page 27 for a discussion of these mechanisms.

