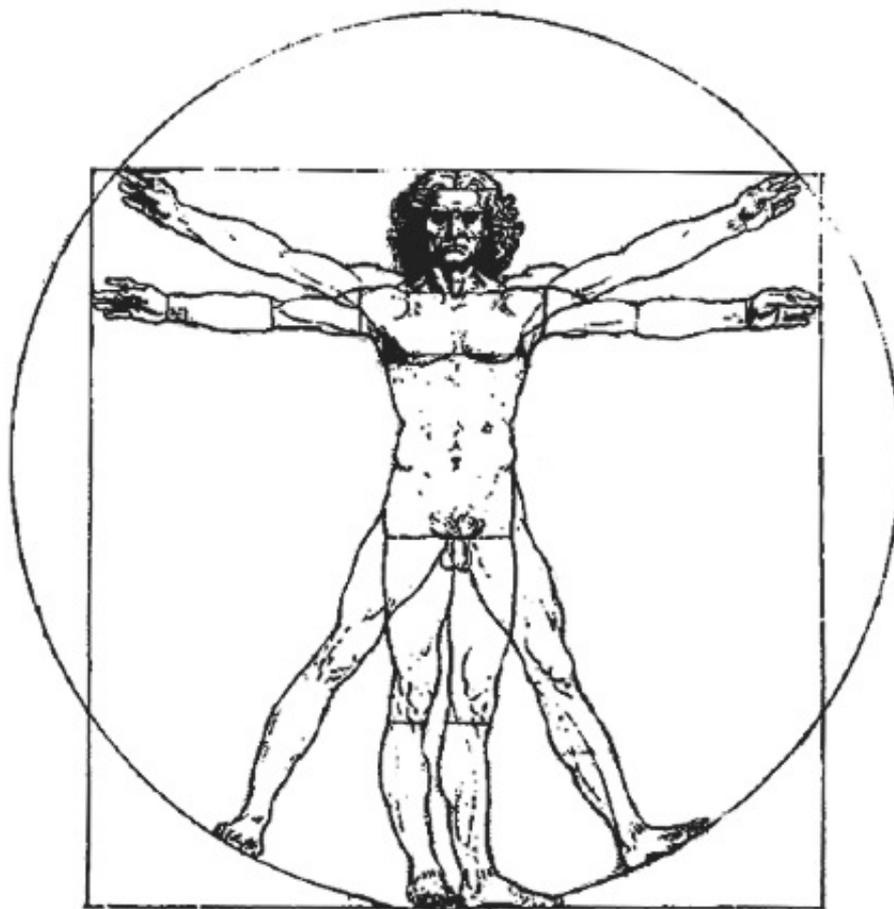


# European Capacity Building



# ecbi

## ANNUAL REPORT

## 2010/11

# Introduction

The European Capacity Building Initiative (ecbi) celebrated its fifth anniversary in 2010. The Initiative was launched in May 2005 with the objective of building and sustaining the negotiating capacity of, and trust between, developing and developed country climate change negotiators, in support of negotiations under the UN Framework Convention on Climate Change (UNFCCC).

This Annual Report summarises ecbi activities from April 2010 to April 2011 – an important period in the history of the UN negotiations, including the run-up and aftermath of the important UNFCCC Conference of Parties (COP) in Copenhagen; and preparations for the landmark COP in Cancún.

ecbi aims to promote a more level playing field between government delegations to the international climate change negotiations, and to facilitate mutual understanding and trust - both, between developed and developing countries, and among developing countries. This, in turn, aims to contribute towards a more inclusive – and hence more effective and sustainable – global solution to climate change.

The extent to which ecbi has succeeded in overcoming these considerable barriers and turned its events into “important dates in the negotiators’ diary” (as a recent ecbi evaluation found) is testimony to the effectiveness of ecbi’s approach.

During the two Phases completed so far (2005-2007 and 2008-2010), over 60 events have been organised in 20 countries, reaching out to well over 1100 negotiators and policy makers. 60 Fellows from 30 developing countries have attended the Fellowships.

Among them were Chairs of key UNFCCC negotiating bodies – including the Ad-Hoc Working Group on Long-Term Cooperative Action (AWG-LCA), Subsidiary Body for Implementation (SBI), Subsidiary Body for Scientific and Technological Advice (SBSTA), Executive Board of the Clean Development Mechanism (CDM), Africa Group,

Adaptation Fund Board and the Least Developed Country (LDC) Expert Group. There were also two Deputy Ministers, three Permanent Secretaries (present and former), a Deputy Permanent Representative and a former Permanent Representative to the UN, as well as a number of directors and director generals.

In the Oxford Seminars, 52 senior negotiators from European countries and the European Commission joined the Fellows. The recently initiated ecbi Finance Circle, open to a broader membership, already includes over 60 members from several countries, ranging from Australia, Barbados and Brazil, to the US, Zambia and Zimbabwe.

There is also clear evidence that these activities have had direct and positive impacts on the international negotiations, the negotiating capacity of countries and regions, and the capacity of individual negotiators. The activities have contributed to trust and better understanding between negotiators; and to a better understanding of climate change issues at the national level, beyond traditional climate change communities. The role played by ecbi in the Adaptation Fund negotiations went a long way in establishing this trust, and in proving the merit of open and informal discussions to resolve complicated issues.

The recent success of the Finance Circle in suggesting compromises in the climate finance discussion in Cancún has helped to seal the reputation of ecbi as an effective forum to which negotiators can take the areas of dispute under the UNFCCC, and hope to return with a compromise forged in a more relaxed and friendly atmosphere.

ecbi’s accomplishments are described in more detail on the website. Two independent evaluations carried out by Helio International are also available on the ecbi website.

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<sup>1</sup>[www.eurocapacity.org/downloads/ecbiAccomplishments2005-11.pdf](http://www.eurocapacity.org/downloads/ecbiAccomplishments2005-11.pdf)

## A brief note on ecbi governance

ecbi is an umbrella Initiative, with two 'Lead Member Institutions' – Oxford Climate Policy (OCP), and the International Institute for Environment and Development (IIED) – and one other Member Institution (Foundation for International Environmental Law and Development – FIELD).

Under the ecbi management and governance structure, each of the two Lead Member Institutions appoints a Programme Head to implement the activities under their respective Programme. The Programme Heads elect an ecbi Director, and together they form the Executive Committee that is responsible for the overall administrative and financial management of ecbi. The ecbi Director is responsible for the everyday running of ecbi, with support from the Programme Heads.

Strategic guidance for the content of the initiative is provided by a Steering Committee, which is co-chaired by two eminent people – one from a developing country and the other from Europe. In addition, input is sought through during an Annual General Meeting which is open to all the participating government Partners.

## ecbi activities

During the period of this Annual Report, ecbi activities were divided into two main Programmes: the Fellowship Programme, which included the Oxford Fellowships and Seminar and the Bonn Seminar; and the Workshop Programme, including the Regional and Pre-COP Workshops, and Bursaries.

In addition, a number of Common Activities, including policy and publications; support to the Steering Committee; commissioning the review and organising Annual General Meetings and producing Annual Reports were carried out.

## ecbi office holders APRIL 2010 - APRIL 2011

### EXECUTIVE COMMITTEE MEMBERS



**BENITO MÜLLER** Director & Fellowship Programme Head (OCP)



**ACHALA CHANDANI** Workshop Programme Head (IIED)



**JOY HYVARINEN** (FIELD)



**SALEEMUL HUQ** (IIED)

### STEERING COMMITTEE MEMBERS

#### CHAIRS



**MAMA KONATE** Mali



**BO KJELLÉN** Sweden

#### MEMBERS



**SUMAYA ZAKI ELDEEN** Sudan



**LORENZ PETERSEN** Germany

### ecbi STAFF



**LAUREL MURRAY** News and Communication



**NICK DAISI** IT support

## Messages from the Co-Chairs of the Steering Committee



Ambassador Bo Kjellén  
Senior Research Fellow  
Stockholm Environment Institute

Over the past year, ecbi has confirmed its position as a source of ideas and concrete proposals aimed at facilitating international climate negotiations. The Initiative contributed in a very concrete way to the relative success of the Cancún Conference through proposals on financing and adaptation.

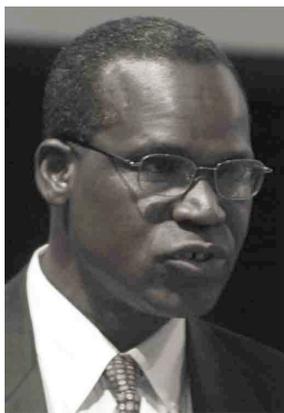
The suggestion for setting up a Standing Committee was first discussed at the ecbi Fellowship. It was later adopted at Cancún, to assist the COP in dealing with the financial mechanism, to improve coherence and coordination in the delivery of climate change finance, rationalisation of the financial mechanism, mobilisation of financial resources and measurement, reporting and verification of support provided to developing country Parties.

Similarly, the idea of setting up a Transitional Committee was first put forward in an ecbi Policy Brief, and later discussed by the ecbi Finance Circle. The Finance Circle also discussed the idea of having the UNFCCC Executive Secretary convene the design process for the new fund, and of having relevant agencies second staff to the UNFCCC Secretariat to support that process. Both these ideas, for the Transitional Committee and a role for the UNFCCC Secretariat, were adopted in the Cancun outcome.

There is no doubt that the Oxford Seminar and the various other Seminars we organised have had an essential role in creating the trust and competence needed for building the conditions that led to the outcome of Cancún.

One conclusion to be drawn is that capacity-building, trust-building, and policy analysis are closely linked elements in the efforts to create favourable conditions for positive results in the very complicated climate negotiations. We face continued uncertainty about the prospects for success in the years to come: the various activities of ecbi will be further developed to support the negotiation process in an efficient and competent way.

In this context, one of the most important elements is the proven result of the Oxford Fellowships and Oxford Seminars, building trust and understanding among senior negotiators. The financial prospects of these Seminars have now greatly improved due to the continued financial support by the Swedish international development agency. We do appreciate this continued trust in our activities.



### Mama Konaté

Country Coordinator  
Republic of Mali

La 16<sup>e</sup> Conférence des Parties (COP) de la Convention Cadre des Nations Unies sur les changements climatiques (CCNUCC) et la 6<sup>e</sup>-session de la Conférence des Parties siégeant en tant que Réunion des Parties au Protocole de Kyoto (COP/CMP6) ont eu lieu dans les salles de conférence de « Moon Palace Hotel » à Cancún (Mexique) du 29 Novembre au 11 Décembre 2010.

Pendant la conférence se sont déroulées également les 33<sup>e</sup>-sessions des organes subsidiaires, la 15<sup>e</sup> session du Groupe de travail spécial sur les nouveaux engagements des Parties à l'Annexe I au Protocole de Kyoto (AWG-KP) et la 13<sup>e</sup> session du Groupe de travail spécial sur l'action concertée à long terme au titre de la Convention (AWG-LCA). Ces rencontres ont été suivies également d'un segment de haut niveau comprenant les Chefs d'Etat de certains pays et les Ministres en charge de l'Environnement et des changements climatiques.

L'objectif de la conférence portait sur le maintien du processus de négociations à deux voies visant à améliorer la coopération internationale à long terme sur les changements climatiques dans le cadre de la

Convention et du Protocole, après un accord minima obtenu à Copenhague en Décembre 2009.

La Conférence a enregistré environ 12 000 participants venant de 194 Parties, des organisations internationales, de la société civile et des média.

L'enjeu principal de la conférence était de poursuivre les négociations par le processus à deux voies issu de la Conférence de Bali et de décider d'une deuxième période d'engagement au titre du

protocole de Kyoto dont la première période d'engagement s'achèvera en fin 2012.

Il s'agissait aussi de restaurer la confiance dans le multilatéralisme et de démontrer la capacité du Système des Nations Unies à aboutir à des résultats concrets.

Les objectifs fixés par la 16<sup>e</sup> Conférence des Parties de la Convention et la 6<sup>e</sup> Conférence des Parties au Protocole de Kyoto ont été pleinement atteints grâce à la stratégie très transparente et inclusive mise en place par la Présidente de la COP16/MOP6,

En effet, à l'absence d'un accord juridiquement contraignant probable pour 2011, un accord a été adopté sur la poursuite des réflexions sur la deuxième phase du Protocole de Kyoto et sur la seconde prolongation du mandat de AWG-LCA permettant aussi de continuer les réflexions sur les questions en suspens et de mettre en œuvre des décisions prises concernant l'adaptation, les finances et le transfert de technologies.

Un grand pas est fait pour l'atteinte des objectifs à Durban (Afrique du Sud) en Décembre 2011, mais il reste beaucoup à faire pour éviter un vide entre la première et la seconde période d'engagement du Protocole de Kyoto et les décisions à prendre pour l'atténuation.

Cet accord sauve le multilatéralisme et permet d'espérer sur une coopération plus ambitieuse afin de lutter contre les changements climatiques et de préserver un avenir meilleur pour les générations futures.

## An overview of ecbi activities, April 2010-April 2011

The ecbi organised 14 events during 2010, attended by approximately 290 participants - making this one of our busiest years.

The **ecbi Fellowship Programme** organised the annual **Bonn Seminar** during the intersessional meeting of the Subsidiary Bodies to the UNFCCC. 29 UNFCCC delegates - 19 from developing countries and 10 from Europe - attended the Seminar. It continued the tradition of timely and lively discussions between senior developing country and European negotiators on 'crunch' issues related to the international climate change negotiations.

The **Fellowship Colloquium** followed in August 2010, followed immediately by the **Oxford Seminar**. During the Colloquium (26-29 August 2010), 10 senior developing country Fellows participated in closed sessions, advised by nine experts. This year, several senior negotiators from key negotiating blocks were present at these meetings, including the Chairs of the Ad Hoc Working Group on Long Term Cooperative Action, the Africa Group and the Adaptation Fund Board. The Oxford Seminar followed (30-31 August 2010), where 10 high-level government representatives from participating European countries joined the Fellows.

2010 saw the creation of the **ecbi Circle of Experts on Climate Finance and Architecture** (ecbi Finance Circle). This ecbi Finance Circle met four times, coinciding with major negotiation sessions in Bonn, Tianjin and Mexico City. An online Finance Circle Library was launched in 2010, for members to access documents relating to the finance negotiations.

As part of the **Workshop Programme**, a **Regional Workshop for West Africa** was held in Dakar from 5-7 July 2010. With more than 45 participants from 14 countries, it included UNFCCC negotiators, parliamentarians and representatives from ministries of finance. The discussions centred on the Copenhagen Accord, Africa strategy, mitigation, adaptation, finance, legal issues, and technology transfer. The Workshop resulted in the Dakar

Resolution, prepared and signed by the parliamentarians who attended the workshop.

A **Pre-COP Workshop for South and South East Asia** was held on 26 November 2010 just before the UNFCCC COP-16 in Cancún, to prepare delegates, especially from Least Developed Countries (LDCs), for the negotiations. It was attended by 20 delegates representing Bangladesh, Bhutan, Nepal, Maldives, Pakistan, Sri Lanka, Vietnam and Cambodia.

The **Pre-COP Workshop for Africa** followed on 27 November 2010, also in Cancún. It was attended by 18 delegates representing Benin, Burundi, the Democratic Republic of Congo, Ethiopia, Guinea, Lesotho, Mali, Senegal, Sudan and Togo.

The Workshop Programme awarded seven bursaries to LDC delegates during this period, to increase the capacity of the delegations as well as their delegations, and facilitate their involvement in the UNFCCC negotiations.

Two other Regional Workshops, held before the period of this Report, were not included in the 2009-2010 Annual Report, and are therefore included in this Report. These include the **Regional Workshop for East and Southern Africa** (1-2 March 2010) in Nairobi, and the **Regional Workshop for Latin America** (8-9 February 2010) in Bolivia. The former was attended by 25 delegates, and the latter included 19 representatives from Mexico, Panama, El Salvador, Guatemala, Brazil, Venezuela, Cuba, Argentina, Uruguay, Paraguay, Chile, Bolivia and Peru arrived to Santa Cruz-Bolivia. Both discussed the outcomes of the Copenhagen conference, and the upcoming COP in Cancún.

Finally, ecbi published four **policy briefs**, listed at the end of this report. These briefs include a breath of salient topics underway in the UNFCCC negotiations, to offer information and advice relevant to developing country concerns. Renewed focus was also placed on ensuring that these policy briefs were widely circulated.

## The Fellowship Programme

### The 2010 Seminar and Colloquium

The Oxford Fellowships for senior climate negotiators involved in the UNFCCC are at the heart of the ecbi Fellowship Programme. The Fellowships include a Fellowship **Colloquium** for developing country negotiators, followed by the **Oxford Seminar** where the developing country negotiators are joined by senior European negotiators.

The Colloquium provides a chance for developing country negotiators to exchange views in closed sessions, to arrive upon common positions/ compromises that they can then present to their European colleagues during the Oxford Seminar for an informal and non-confrontational discussion.

The 2010 Colloquium, from 26-29 August, took place in Exeter College, Oxford University. As before, the

Fellows decided which topics they would like to discuss amongst themselves and during the Seminar. The issue of climate finance dominated the agenda –

including in particular, the delivery of fast start finance as a measure of trust, and future governance arrangements for climate finance. A common position was developed among the developing country negotiators at the Colloquium, and presented at the Seminar.

### Fast Start Finance as measure of trust

The 2010 ecbi Seminar, held on 30 and 31 August in the building of the Oxford University Students Union, kicked off with a discussion of Fast Start Finance (FSF) to fund climate change activities in developing countries. Yi Xianliang, Head of the Climate Change

Office of the Ministry for Foreign Affairs, China, made a presentation based on discussions among developing country Fellows during the 2010 ecbi Fellowship which took place during the previous week.

Yi said the promise of US\$ 30 billion FSF made in the Copenhagen Accord is a crucial test of the intent of developed countries to stick by their commitments in

**Participants of Fellowship Colloquium, 2010**



the global climate negotiations. The figure is a fraction of the needs of developing countries as estimated by a number of global organisations. The UNDP, for instance, has put forward a relatively conservative figure of US\$ 200 billion for mitigation, and US\$49-171 billion for adaptation by 2030.

He said there were several issues to resolve on the Copenhagen pledge. For instance, it was not clear which elements of developed country contributions would count towards meeting the 30 billion commitment - will private sources be included, and will contributions made by developed countries towards the GEF fifth replenishment be counted as part of FSF?

Yi said only the EU had reiterated the intention to keep the promise for FSF made at Copenhagen, and their promise of US\$ 7.2 billion is appreciated. A similar commitment from other developed countries will be welcome. However, the commitment should not be passed off to private sources - there were indications of backtracking on contributions from public sources. Passing on the commitment to private sources will be seen as failure to meet commitments made under the Copenhagen Accord.

He concluded that the FSF pledge was meant to be an act of trust building. The broad perception among developing countries so far, however, is that it is not being met. Unless countries can get their act together in getting FSF to flow, there will be no outcome at Cancún - possibly none from Durban. Yi put forward the following list of questions prepared by the ecbi Fellows, to focus the Seminar discussion:

- What outcomes regarding FSF are possible at Cancún? Should the pledge made under the Copenhagen Accord be translated into a UNFCCC decision?
- How to ensure that the pledge is actually being met?
- Should access to FSF be conditional? Some countries make it conditional to accession to the Copenhagen Accord.
- What does 'new and additional mean'?

## Translating the Copenhagen Pledge into a COP Decision

In the discussion that followed, a European participant said the Copenhagen pledge was meant to be a declaration of unconditional trust building, which was included in the Accord because there was no other place for it. He said the US is troubled by the idea that it may be transferred into an official decision of COP, with reporting requirements. This would change the nature of the pledge from a goodwill gesture to an official commitment. He asked developing country negotiators not to make it difficult for developed countries to keep the pledge, given that the pledged amount is considerably more than what has been on the table in the past. He agreed there were problems with coherence and reporting, but said the EU is working on building a reporting system. He did not think there should be talk of compliance committees and sanctions before any commitments from the other side of the table, for instance on NAMAs and MRV. As to when the funds will be made available, he said it might be in the second or even third year.

Another participant said the Copenhagen Accord was originally designed to be a COP decision, so it was difficult to understand why the US should be opposed to its becoming a COP decision at Cancún.



He said a transparent tracking and compliance system for financial contributions was necessary for trust, and it was equally important that such a system should be designed and constructed by both sides by mutual agreement - not by the EU on its own.

A developing country participant said the Copenhagen pledge is seen as an indication of future

process. The pledge was initiated by the developed countries, and was unrelated to what developing countries were asking for, or to needs-based estimates. Developing countries view the pledge as an indicator of what the future system will be, and are therefore waiting to see whether the funds will be new and additional, what sources they derive from, how they are disbursed, and whether access will be conditional. For instance, he said, some of the announcements made so far towards the pledge were neither new nor additional, but merely a recycling and re-branding of earlier announcements.

A European participant reflected that the US\$ 30 billion was proposed as a trust building exercise to break the deadlock at Copenhagen. The commitment came late in the year, so the EU had to react quickly to decide what they were going to do with the funds and identify recipient needs. He said it takes time to find the most useful ways of using FSF - the European Commission has carried out a scoping study for capacity building needs through 2010, and a capacity building programme based on this study will be launched in 2011.

He also said it was challenging to get all the information they need from European Member States for reporting contributions. He was not sure to what extent Cancún should address FSF - he felt it would be better to recognise that the commitment exists in parallel and have a technical panel to discuss gaps and how to make the best use of the funds.

### Conditionality

A developing country participant said some countries such as Japan and the US are making access to the funds conditional to signing of the Copenhagen Accord, and this is not helping the trust building process.

Another developing country participant quoted a US negotiator as saying that he did not see why countries that do not sign the Copenhagen Accord should receive funds. The participant called this 'checkmate diplomacy', whereby conditions were being laid on countries that have to face the adverse affects of a problem that they did not cause. He said the funds promised by the Accord are grossly inadequate - and it would only further distrust if contributions were recycled. Finally, he said US\$ 7.5

billion should have been disbursed by the end of 2010, but there are no signs of it yet.

A European participant said the EU is on track with keeping the Copenhagen pledge, and has kept its promises in the past (for instance, the US\$ 400 million promised in the Bonn Declaration). However, he said, it may not be a good idea to look so closely to the FSF as an indicator of long term performance as the developed countries want to have money on the table, but are learning by doing. When the FSF pledge was made in Copenhagen, the EU had already finished working on its budget for 2010. The EU is also trying to develop a system to register and report contributions. A side event on the latter was held in the June 2010 meeting in Bonn, and a full report will be presented at Cancún. The EU intends to keep its pledge, and demonstrate how a voluntary pledge is honoured. He said there would be no conditionality linked to the EU's contributions.

Another European participant said the EU was prepared to meet its commitments in an open and transparent manner, and will present how it plans to go about this in Cancún. The EU cannot, however, influence parliaments in other industrialised countries to take a certain decision. They can have a dialogue to urge them to do what they have committed to, and they are already doing that. This is the responsibility not only of the EU but also of all Parties.

A developing country participant said it was not helpful to start talking about how budgets work, and the problems they pose for developed countries to meet their commitments. Agreement on the wording around the 30 billion had been taking budgetary and Congressional constraints into account - that is why the Copenhagen Accord mentions the word 'approaching' 30 billion instead of just 30 billion. Conditionality was not part of the agreement. The Accord does, however, mention that the funds should be 'new and additional', and that the counting finance will be 'rigorous, robust and transparent'.

### New and Additional

A European participant said the concept of 'new and additional' funds is difficult and not properly defined, and reduced to a mantra. He said at least part of the GEF contributions will count towards FSF - many European countries increased their contribution to

include FSF contributions, resulting in a 34% overall increase in contributions.

Another European participant agreed that the concept of new and additional was problematic. He said the EU has already reported in Bonn on the first steps towards making FSF available, the dynamics of their contributions, and the projects they are aiming for.

A developing country participant said he agreed that the term 'new and additional' was confusing and needed to be better defined, but he said it is not helpful to call the term a 'mantra', especially after it is included in the text of an Accord signed by Heads of State. Given that the FSF was proposed by Annex I countries, he said the onus is on them to propose what is meant by 'new' (as in not something that has already been promised before, including a date from which contributions will start to count) and by 'additional' (where the acceptable norm is that contributions are additional to overseas development assistance, or ODA) but it is not agreed whether they are additional to present ODA contributions, or to the 0.7% commitment).

Another European participant said in the interests of efficiency, the EU had to use bilateral as well as multilateral channels and work with different partners to disburse climate finance. Under these circumstances, it was not always easy to establish what was new and additional, particularly when trying to mainstream climate activities into existing development processes.

A participant agreed that it would be difficult to distinguish activities related to climate change from development activities, and hence the additional cost of climate change. But, he said, developed countries should meet their financial obligation by contributing to a multilateral pot. This would remove the problem of having to distinguish climate activities from development activities for the sake of funding decisions. The European participant agreed that this might be the case once the multilateral pot for climate change has been established, but in its absence, existing channels have to be used for FSF.

A developing country participant pointed out that such multilateral funds already exist under the UNFCCC (the LDC Fund, Special Climate Change

Fund, and Adaptation Fund). He said LDCs had already submitted National Adaptation Plans of Action, and contributions of the US\$ 2 billion needed to implement them could easily classify as new and additional.

Another developing country participant said most developing country Parties think the funds promised under the Copenhagen Accord will be additional to ODA, and to GEF contributions. He said if the funds are disbursed bilaterally, developing countries must be told the criteria used to make decisions on which countries and activities will be funded. He agreed with the earlier suggestion that the existing funds under the convention should be used to disburse the funds.

A developing country participant proposed the idea of 'overseas sustainable development assistance – ODA' to differentiate contributions under the three Rio conventions from ODA. He said this idea had already been proposed at the second meeting of the Commission for Sustainable Development. He also suggested that one concrete outcome from Cancún could be to transfer the US\$ 30 billion commitment to a COP decision, along with the mechanisms, rules and functions of the money. The text could be drafted in the forthcoming meeting in Tianjin.

### Absorptive Capacity

A European participant said his government was disbursing FSF already - but the recipients were not prepared to put them to use. He said the FSF contributions have caught recipients by surprise.

### Balanced Package for Cancún

A European participant said trust building was needed both ways, and a balanced package was needed to reach agreement. He said the EU is trying to report on where the funds are going, but equally developing countries could have focal points to report when they receive it. He said there were problems with the absorption capacity in developing countries. He felt it would be opening Pandora's box to discuss the 'new and additional' element of FSF at Cancún, as discussions involving ODA commitments would also have to go into whether developing countries kept their side of the bargain.

A developing country participant said a minimum requirement at Cancún would be to establish the link between the UNFCCC process and the pledge made in the Accord. He and another developing country participant agreed that discussions on FSF should be kept light so as not to overwhelm the conference. Another participant suggested that a minimum would be to ensure transparency in where the money is coming from and where it is going.

A European participant said that if the FSF issue was considered important for Cancún, it should be explored - but not without counterbalancing it with a discussion on MRV of developing country actions. He said it was clear that some of the FSF funds would be channelled through the GEF climate funds. A pledge meeting is scheduled for November.

The chair of the session, Bo Kjellén, agreed to an earlier suggestion that Cancún should address two major areas – issues that are ‘ripe’ to be transferred into COP decisions, such as REDD+, financing, MRV and technology transfer; and a process decision, laying out a roadmap for the future of the negotiations, perhaps to replace the Bali Action Plan with a Cancún Action Plan. He said clarity was certainly needed on the status of the FSF, if it is to serve its purpose as a trust building exercise.

### Reforming the Financial Mechanism to Manage Long Term Finance

The discussion on managing long term climate finance started with a presentation by Farrukh Khan, leading climate negotiator for Pakistan and Chair of the Adaptation Fund Board. He said that the Mechanism to manage long term finance should be one that all parties can trust; improves the delivery of finance; recognises there are a diversity of actors and weaves their roles together; and gives both developed and developing countries a role in running the system.

He then presented a proposal for a reformed financial mechanism discussed by the Fellows in the previous week, aimed at building bridges between the different proposals made by Parties in the negotiating text. The proposal envisages three key elements for the mechanism – a Finance Committee of the COP, a Climate Fund, and National Funding Entities. The structure and function of these two bodies was

elaborated in a brief written proposal circulated among the Seminar participants and diagram, both of which are reproduced below.

### The Fellow’s Proposal - A General Blueprint for reforming the UNFCCC Financial Mechanism

#### *Finance Committee of the COP*

*A Standing Committee (‘Finance Committee’) of the COP is created.*

*The role of the Finance Committee is to provide support to the COP in exercising its functions with respect to the Financial Mechanism (FM) of the UNFCCC, and to carry out any other task related to climate finance the COP chooses to assign.*

#### *Functions of the Finance Committee*

*The Finance Committee is, in particular, charged with supporting the COP in:*

- *providing guidance to the operating entities of the FM and recommendations to other actors;*
- *assuring the accountability of the operating entities of the FM;*
- *rationalizing the FM;*
- *assessing the adequacy of climate change finance for developing countries, including MRV of support;*
- *and verifying the fulfilment and reviewing the scale of assessed contributions.*

#### *Implementation*

*The Finance Committee will draft guidance to the operating entities for approval by the COP, and submit regular reports to the COP on the performance of the operating entities, and on the financial needs of and flows to developing countries.*

*The Finance Committee will draft and periodically review the procedures for registration of financial flows and the system of certification of payments to be counted against financial obligations by Parties.*

#### *Structure*

*The Finance Committee is composed of XX member Parties and XX alternatives selected by the COP,*

*taking into account equitable geographical representation.*

*Member Parties of the Finance Committee are requested to appoint representatives with relevant expertise.*

*The general rules of the Climate Fund – including the Board' rules of procedure of the Board, the operational guidelines (including criteria for project/programme funding and for resource allocation and disbursement) - are formulated and periodically reviewed by the Finance Committee of the COP.*

### **Climate Fund**

*A Climate Fund is created by the COP as an operating entity of the FM. The Climate Fund is guided by and accountable to the COP.*

*The Climate Fund is to provide climate finance to developing countries in a manner which respects the principle of equity. Implementation*

*The COP may, inter alia, provide guidance to the Climate Fund on the thematic balance of its portfolio.*

*The Fund is to promote direct access to its resources through National Implementing and Funding Entities.*

### **Structure**

*The Climate Fund is to be headed by a Board of Executive Directors (the Board). The members of that Board are appointed by the COP, according to criteria formulated by the Finance Committee and approved by the COP.*

*The Board takes all operational decisions, subject to these general rules and COP guidance.*

*The Board has a new dedicated Secretariat located at the seat of the Board, with a Secretary to the Board appointed by the Board.*

*A trustee is selected through open bidding according to criteria determined by the COP. The Climate Fund has finance windows.*

### **Discussion**

During the discussion that followed, ecbi Fellows elaborated on the structure and role of the Finance

Committee, saying it will include a mix of specialists and political actors selected by the COP. It will support the COP in making its decision, rather than taking decisions itself. The role of the committee will be similar to smaller oversight bodies sometimes set up national Parliaments, which make a report to the Parliament rather than issuing sanctions themselves. The Committee would also serve as an information-sharing platform, collating an overall picture of climate change finance based on feedback from key actors including, for instance, multilateral development banks.

### **Basis of Contributions**

A European participant said it was very difficult for them to start negotiating the sources of funding, and the basis of contributions. He felt it was not helpful for the developing countries to make suggestions such as using a percentage of GDP as a guide for contributions.

A developing country participant said developing countries have proposed the GDP percentage guide to ensure adequacy and predictability. He asked what basis his European counterparts were considering, given that a pledge and review system - where countries contribute as much as they wish - was unlikely to deliver adequate resources, or ensure predictability. A European participant responded that the EU was open to the idea of assessed contributions applicable to all countries, but the question was whether it would be acceptable to other groups. He said the G77 and China opposed the idea of assessed contributions under other UN negotiations.

### **Sources**

A European Participant said innovative sources of funding will be needed to raise the US\$100 billion needed by 2020 - particularly in face of the huge deficits following the financial crisis, which had made national Parliaments and Treasuries less willing to commit to contributions.

Another European participant said the US\$ 100 billion for 2020 agreed in the Copenhagen Accord will be from public and private sources, as agreed in the Accord. He said the private sector can play a key role in leveraging additional resources, as can market

mechanisms such as cap and trade. A better understanding was needed of the potential of private sources in generating funds. He said the challenge was to ensure that everybody is on board for both mitigation and financing efforts - just a second commitment on the Kyoto Protocol would not solve the problem.

A developing country participant voiced his concern on the unequal geographical distribution of funding from private sources and market mechanisms such as the CDM. He said suggestions for REDD to be a market mechanism were worrying for countries in Africa. He added that the private sector is unlikely to contribute to adaptation efforts, where there will be little or no profit.

## Governance

A European participant said although it was felt at one point that a more specialized body than the SBI was needed to look at finance issues more closely and intersessionally, some Parties were opposed to a body with a strong oversight function and felt the SBI was enough. He said establishing a new COP body would be expensive, and would have to be justified by an assurance that savings would be made in terms of the time spent by the SBI in dealing with these issues. There also has to be an assurance that it is the COP, not the Finance Committee, which makes the decisions and gives instructions to the Fund. On the Climate Fund, he felt it should be formed with the invitation of the COP, and through an MOU with the COP, rather than under the direct authority of the COP.

Another European participant said creating a new finance mechanism such as the one proposed will take time, and the COP might have to spend a lot of time drafting TORs, which will be very complicated for a body that will be legally and financially complex. A developing country participant pointed out that the proposal is for the governance of long-term finance, not FSF, and therefore there is time to develop it. Another participant said the task is not as difficult as it seems, as the creation of the Adaptation Fund Board (AFB) has already shown. The AFB took two and a half years to start disbursing funds, and no other process could be quicker.

He said the biggest advantage of having the financial mechanism under the authority of the COP, with an equal role for developed and developing countries, is the level of trust such an arrangement will generate, making it much easier to agree on terms. For instance, the decision on fiduciary standards for the Adaptation Fund went through the COP without disagreement. That was mainly because both sides trusted the representation on the body (the Adaptation Fund Board) that drafted them.

A European participant said a governance structure like that of the Adaptation Fund would not be acceptable to his government, because this would take away national decision-making powers over public funds. Other issues in the proposal that European governments will find difficult include the idea of assessed contributions, and the idea that the Finance Committee will verify, review and assess the adequacy of finance.

A European participant sought clarification on the role of the Registry, which was proposed under the Climate Fund, asking whether private sources would also be counted. He asked who would put together the information related to multiple flows of funds to reach a judgment on adequacy of resources - this would require a lot of work and resources. A developing country Fellow responded that as the Mechanism would be under the direct authority of the COP, the UNFCCC Secretariat would service it. Alternatively, it could commission the work. He said the details could be worked out once there was general agreement on the broad proposal.

## Direct Access and Funding Criteria

A European participant felt giving developing countries direct access to the funds would bypass the helping hand of the UN and Bretton Woods institutions. He also said that funding should be directly linked to MRV of actions.

Developing country Fellows agreed that linking MRV action to finance would make the fund more performance based. It was proposed that to begin with, all countries would get a flat sum from the Fund. Thereafter, future disbursements will be linked to performance, as in the case of the Brazilian Amazon Fund. Supporting Nationally Appropriate Action Plans

in this manner will directly link disbursements and results.

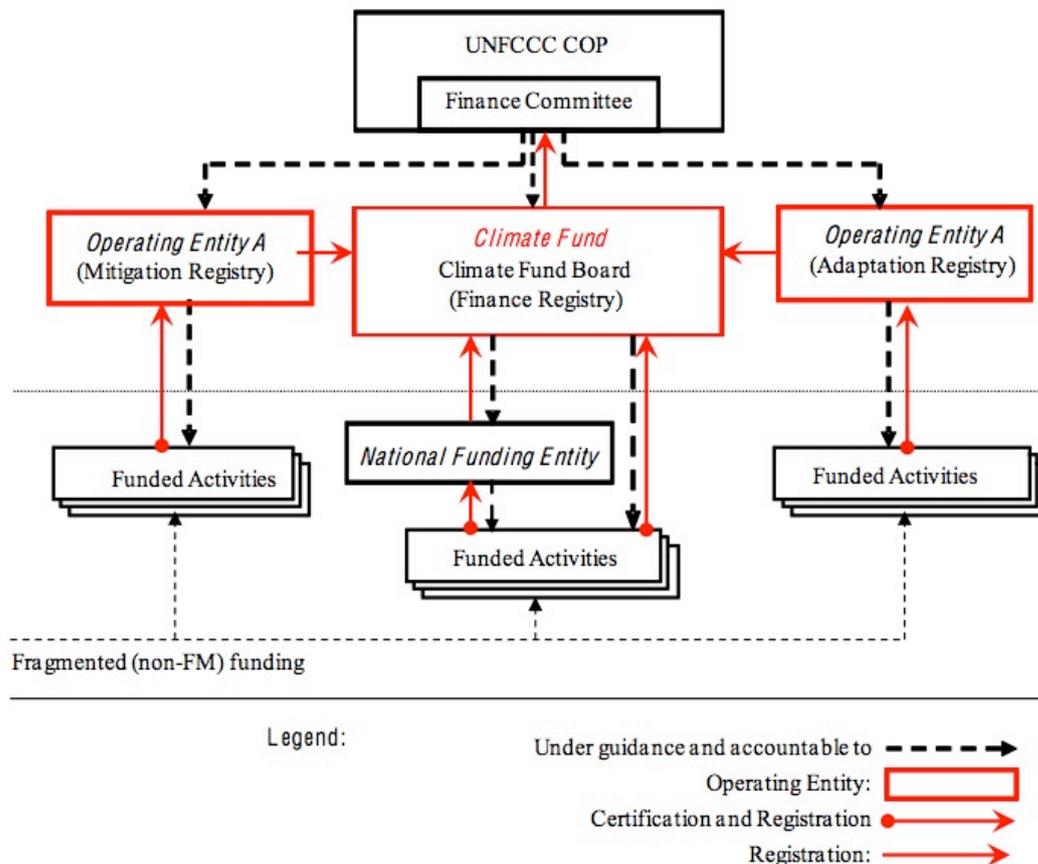
A developing country participant said it will be problematic if contributing countries want to continue to decide which countries receive the funds, based not on need but on the national priorities of contributing countries, and bilateral relations.

### Translating the Proposal into the Negotiations

Developing country Fellows said several informal discussions were taking place, but few were being translated into the negotiations. If the three broad elements of the current proposal (the Finance Committee, the Climate Fund and the National Funding Entities) were acceptable to their European colleagues, they would be willing to work towards agreement on differences on individual elements, and to promote the proposal among the rest of the Parties, including the G77 and China in order to

translate it into negotiation text. They stressed that the proposal did not represent their national position, but was proposed in an attempt to take the discussion further and take each other's concerns on board.

A European participant said there were many common areas where agreement might be possible. He said his country, at least, agreed with the need for a COP decision on the Fund, to bring it into the fold of the UNFCCC. There should be no problem with having the Fund under the guidance and directly accountable to the COP, as was already specified in the text of the UNFCCC. The Fund would provide funds to developing countries, on the basis of the principle of equity, which will have to be elaborated further. He said it is also clear that the COP will provide guidance to the Fund. Because the fund is a new entity, his country would like to see some added value, and avoid duplicating roles that already exist.



The management of massively scaled up resources could be seen as one such new added element.

On governance, he said it was clear the Fund would need a Board. His country would prefer equal representation of developed and developing countries on the Board, given that contributions will be from public sources. The need for a Secretariat and a Trustee is also clear, as is the need for different thematic windows. All these were common areas, and could be developed further.

However, he felt the need for a Finance Committee was less obvious, particularly its role in the oversight and verification of contributions. He agreed on the need for a periodic overview in order to identify gaps, but felt it was less clear who should carry out this function. He felt the Subsidiary Body for Implementation (SBI) or a contact group could take on the role of gathering relevant information, digesting it and then providing guidance to the COP.

He concluded that the proposal was a good basis and many elements could be taken forward.

A developing country participant said this was a step in a positive direction, and requested the European participants to consider putting their own thoughts on paper, so that they could take it back to their capitals and try to arrive at common ground. He said none of them were talking about national positions, but rather trying to establish a starting point for the discussions.

Another developing country participant said the value of a permanent Committee rather than contact group or the SBI was to institutionalize the role of the committee and ensure continuity, rather than have a group with erratic membership and hence varied results. He said a common ground on the contentious issue of MRV would have to be sought, and the Committee would provide a good starting point. But he expressed willingness to consider other proposals on how the issue of verification and certification should be dealt with, and invited his European colleagues to suggest alternatives.

### National Funding Entities

The second day of the Seminar started with a discussion on the role of National Funding Entities (NFEs) in the transition to a new paradigm of global

cooperation. Luis Gomez Echeverri from the International Institute of Applied Systems Analysis, Vienna, made a presentation based on his survey of existing national funding entities.

Echeverri said the quantum leap in resources for climate change will bring about some challenges for developing countries in terms of absorption capacity, but they can be addressed quickly. In the past, institutions have been set up quite quickly. He said the success and effectiveness of the new wave of funds would depend on the mechanisms that are in place to allocate, disburse and manage the funds at the international, national and local levels.

Echeverri said there is gradual acceptance of the need to shift responsibility to recipient countries to increase the impact of funding. Several NFEs already exist in developing countries, with promise to transform global cooperation by ensuring that there is a greater sense of ownership, the funds are managed better, and that they go to the right places. Such entities are good not only for climate change but also for development, as they offer greater opportunities for incorporating climate activities into development, in a way that will be more conducive for multiple benefits. A weakness of the current system has been the approval of projects at the central (global) level.

Existing NFEs represent a new breed of institutions specifically designed to capture funds from international institutions, to mobilize and leverage local funds, and to mainstream funding into development. The many NFE's that exist share very few commonalities, and are mainly designed to meet specific national needs and 'politics'. Most of them operate off-budget to avoid local complexities and local politics of national budgets. Echeverri listed several existing NFEs, including the following:

- Amazon Fund of Brazil
- Bangladesh Climate Change Resilience Fund (BCCRF)
- Brazilian National Fund on Climate Change
- China CDM Fund (CDMF)
- China Funds for the Environment
- Ecuador Yasuni ITT Trust Fund

- Indonesian Climate Change Trust Fund (ICCTF)
- Maldives Climate Change Trust Fund
- Thailand Energy Efficiency Trust Fund

He said the concept of direct access to finance is often misunderstood, as trying to undermine performance and monitoring. He described an on-going REDD initiative by the UN in 9 pilot countries, where arrangements have been put in place are specifically geared to handle performance based financing. Thirteen other countries have been identified to join as full members as resources become available.

Echeverri suggested that fast start finance should be used to get developing countries ready to receive climate resources. He said international institutions would continue to play role, but a different one, helping countries to build capacities.

Following Echeverri's presentation, Benito Müller presented the results of a recent study carried out to estimate how many people will be needed to administer the increased level of climate change finance. The study analysed a number of existing International Financial Institutions (IFIs), such as the World Bank and the Montreal Fund, and bilateral donor agencies like the UK's Department for International Development (DFID), USAID and the Japanese International Cooperation Agency (JICA) to establish a co-relation between the amounts of funding processed, and the number of people needed to process it. It found that between 250 and 400 people are needed per billion US dollars. Müller said that on this basis, tens of thousands of people would be needed at the global level to administer climate change finance.

These estimates, he claimed, raise crucial questions about what institutional arrangements would be most effective and where new and additional administrators should be located: in wealthy nations or those receiving the funding. Given the expense of hiring development agency staff in wealthy nations, considerations of cost-effectiveness suggest that the administration of these funds should be delegated as much as possible to funding entities in the countries that receive the funds for climate mitigation and

adaptation projects and programmes. Apart from considerations of cost-effectiveness, such devolution of funding decisions and management would also result in greater country 'ownership' and thus facilitate the mainstreaming of climate finance into their national development planning.

He said the idea was not to create a gigantic global bureaucracy, but rather to have a lean central fund, which still has the capacity to deal with large amounts of funds.

## Discussion

In the discussion that followed, Echeverri said although he had only analysed international contributions to NFEs in his paper, some of them relied on national sources, including taxes and levies.

A developing country participant said the exiting negotiating text already mentions National Coordinating Bodies in the section related to finance, and this could be used to develop the idea of NFEs. He said countries should be allowed flexibility, based on the level of their level of institutional development. Echeverri agreed, saying that in some of the examples he had looked at, the best use was made of existing institutions. For instance, in one case Brazil chose to create a virtual body and entrust the Brazil National Bank for Economic and Social Development with managing the funds and ensuring the fiduciary standards are met.

Another developing country participant gave the example of Bangladesh. The UK had committed to a contribution of around US\$ 100 million to the BCCRF, but had insisted on a role for the World Bank in managing the funds. The World Bank would charge 15% of the total amount for managing the funds. This resulted in protests from civil society. The Government of Bangladesh was divided - the Ministry of Environment was opposed to the World Bank's involvement, whereas the Ministry of Finance was supportive. The Prime Minister of Bangladesh set up a committee to resolve the issue. It was finally agreed that the Government of Bangladesh will manage the funds, but the World Bank will be invited as a management consultant to set up systems for a fee of 2 per cent of the total amount.

A European participant agreed with the need for building national and local capacities, seeking ways for better integration with development, and working with existing mechanisms and channels. Another participant recalled that the Swedish International Development Cooperation Agency (SIDA) had proposed idea of NFEs in the 1990s. He emphasized the need for local participation in the management of NFEs, particularly people with direct knowledge of local needs.

Another European participant agreed with the need for flexibility in national arrangements. He said the problem of absorption capacity was unlikely to be solved through the creation of institutions. Capacity building aimed at strengthening the ability of people to manage funds was needed. He said the Global Fund for AIDS, Tuberculosis and Malaria provided important lessons - it created a parallel sector in countries, rather than integrating with the existing health and development sector.

Echeverri said rather than looking at the institutions that need to be in place, one approach is to focus on the capacities and minimum functions that are needed for an effective performance-based system. He said the idea that developing countries do not have capacity to manage funds and adhere to fiduciary standards is slightly misguided. As long as the controls are set, the expertise often already exists. He said this would not be the first time that a performance-based system operates in developing countries.

One of the participants said many of the European countries were already providing support for national entities, and said putting in place something too centralised could be harmful. He was concerned, however, that putting together a system based on NFEs would take too much time.

A European participant said it was important to link such a system to national strategies.

### Possible outcomes from Cancún (1)

Based on the previous sessions, a number of potential issues and outcomes for the next UNFCCC Conference of Parties in Cancún, in November/December 2010, were identified. These include a potential decision on FSF; a decision to establish a

Climate Fund and possibly a Finance Committee; some elements of adaptation; REDD; and MRV. (A European participant cautioned against assuming that there was agreement on the need for a Finance Committee, saying they would like to consider what added value this would bring, and the possibility of using existing institutions.)

### Monitoring, Reporting and Verification

Many of the European participants felt that an outcome on mitigation and MRV was essential to ensure a more balanced outcome at Cancún. One participant said the voluntary mitigation pledges made under the Copenhagen Accord were a big step ahead on mitigation and MRV, and it should be possible to capture them in some form under the UNFCCC. The pledges currently on the table are not sufficient to meet the 2-target, but they represent a start.

A European participant said the issue of finance and mitigation/MRV is linked. A developing country participant said the current negotiating text calls for a balance of action on adaptation and mitigation. However, he felt that a balanced approach would not be possible if contributing countries make decisions on the use of funds, and choose to invest their contributions mainly for mitigation action - particularly CCS and REDD. He said a single 1 MW CCS plant in a developed country could cost as much as €40 million.

A developing country participant asked what colleagues from Europe would consider a balanced and feasible outcome at Cancún. A European participant said a mitigation package would include setting up of rules and registries, and clarifying how market-based mechanisms in both developed and developing countries could work. He felt it would not be possible to have quantitative targets, but it would be a good idea to anchor what already exists, in order to get an idea of what more is needed. He felt a lot could be made operational on MRV in the short term.

A developing country participant from Africa said that even a full-fledged mitigation approach in his country, which contributed a small part of the global emissions, would not help reign in the impacts of climate change and the armed conflicts that will

follow. He said the African Group is committed to a two-track approach, and would like to see the Kyoto Protocol carry on into a second commitment period, with much more ambition. He felt the issue of REDD+ was ripe for a decision at Cancún. He said he understood that MRV was a very important word for his Northern partners, and developing countries had agreed to the MRV of action funded from global sources. If there could be a common understanding on this, it would open the door to something legally binding in future.

A European participant said the Copenhagen Accord includes MRV of unsupported action. He felt Cancún should focus on fleshing out the MRV and mitigation elements agreed in the Copenhagen Accord, to bring them into the multilateral context. Another European participant agreed, saying capturing these elements in a formal agreement would provide a benchmark for future work.

A European participant stressed the importance of transparency on both sides, in order to enhance trust. He said the flow of information on both sides needs improvement, and balanced rules for reporting were essential.

A developing country participant said his country hoped to get an extension of the mandate of the AWGLCA. He felt one window of opportunity to come to a global agreement had closed in Copenhagen. He felt the sense of urgency has left the room, and it currently seemed unlikely that a global agreement will be possible even in the 2011 COP in Durban. In order to move the process ahead, he proposed having a group to lead the process and 'negotiate without borders'.

Another developing country participant said his country favoured the two-track approach, and felt the negotiations under the AWGKP need to be revitalised.

### Lessons from Copenhagen

One participant said that following Copenhagen, there was a dangerous trend to run down the ability of the UN negotiations to deliver while suggesting that economic actors outside of the negotiations will solve the problem of climate change. Participants discussed the dangers of this trend, and agreed that

a multilateral rule-based treaty with common rules was necessary. Although technological solutions were important, an exclusive focus on funding technologies will not be enough.

A European participant cautioned against describing 'success' in the negotiations only in terms of a global treaty, saying that although Copenhagen had some positive results, the fact that the media and economic actors perceived it as a failure was extremely risky. Another European participant agreed and said that instead of raising expectations for a treaty in Cancún, it would be better to describe possible results, such as getting the rules and architecture right, and kick-starting action. He felt it would be useful if the next meeting in Tianjin, in October 2010, could identify a balance of issues that could be agreed upon in Cancún.

### Possible outcomes from Cancún (2)

The Chair of the AWG-LCA chaired the second part of the discussion, focusing on outcomes from Cancún. He said after the last negotiating session in Bonn, a 'Parties' Text' was created to replace the 'Chair's Text'. The fact that it had grown from 40 to 70 pages was a cause for concern as the Cancún meeting drew closer. He felt Cancún should have two types of outcomes: one related to specific issues that were 'ripe' for agreement, as discussed in the previous session; and the other related to future process, laying down a roadmap and mandate for issues that cannot be resolved at Cancún.

Another participant agreed that a roadmap was essential, citing the example of the Berlin Mandate and its importance in reaching agreement on the Kyoto Protocol. He said that if an agreement is not forthcoming even in Durban in 2011, it is necessary to think of some sort of transitional agreement, which includes a deadline for a global agreement. He felt the latest deadline for a global agreement would have to be 2016. The Rio+20 conference in 2012, the IPCC fifth assessment report and the deadline for the MDGs in 2015 should all serve to underline the need for global change.

The Chair said the idea of a transitional period was an interesting one, but it would be necessary to see what happens to the Kyoto Protocol during this time. Moreover, if the transitional agreement is based on a

system of pledge and review, will it take place under the LCA? If so, what will happen to the second commitment period of the Kyoto Protocol?

## Open and Transparent Process

A developing country participant said that Cancún should avoid a repeat of what happened at Copenhagen at all cost. He said the way in which the Copenhagen Accord was formulated was unacceptable, and UN procedures must be followed, to keep the process transparent. He said a little bit of inefficiency is preferable to an agreement that does not take everyone along. He said Cancún should avoid secret texts and meetings with a select few.

The Chair said it was often easier to get agreement in small groups, but it was important to make sure that the deliberations of the small group are presented to the larger group for decisions. Another participant said the key issue is to make sure the smaller groups are fully representative, with the representatives selected by their own groups, and to have a good system of reporting back, so everyone is kept informed and the process is transparent.

A European participant highlighted the need for Cancún to move to negotiation - rather than compilation - mode. The Chair agreed, saying it was much easier to put in brackets into the text than remove them.

One of the participants flagged the relatively recent practice of having co-chairs from both developed and developing countries. He said in the past, it had worked better to have a single Chair that both sides trusted for his/her objectivity, and who was committed only to achieving an end result.

## Concluding Session

The final session of the Seminar discussed ways to promote the chances of success in Cancún, and avoid a crisis/chaotic situation.

A developing country participant said one way of using the FSF to promote trust would be to use the existing UNFCCC funds, and provide more clarity on how much of the FSF would be allocated for adaptation. He said the projects listed under the NAPAs need US\$ 2 billion for implementation, and an

assurance that this money will be made available as and when it is needed will go a long way in building trust. A European participant said a pledging meeting for the UNFCCC funds would take place in November 2010, where a fair amount of money would be pledged to these funds.

Another European participant said he was under the impression that the main concern with the FSF was to get the money out of the door quickly, without worrying about it flowing through a 'steady state' system and schematizing it in a decision.

A developing country participant asked whether the pledge of US\$ 30 billion would be kept, or whether developing countries will be told they lack the absorptive capacity. Several European participants responded that they intended to keep their share of the commitment, and a recent analysis had shown that 95% of the EU's share of the 2.4 billion for 1010 had been secured. One participant said his country was channelling the funds through multilateral systems, because the system for bilateral disbursements took much longer. Another participant said his country recognised that some of the multilateral channels they were using were considered to be slow and bureaucratic, and this problem would have to be addressed.

A European participant agreed that some system to track the amount of funding channelled to mitigation and adaptation and allows more transparency and better communication would be useful but preferred opting for a tool such as a website, rather than a COP decision.

Another participant asked whether a decision on MRV would be possible only if MRV of both mitigation and adaptation was considered. A developing country participant said a MRV package would have to cover not just mitigation but also other elements such as adaptation and technology transfer. He said the issue of adaptation was already neglected - for instance, the UNFCCC lacked a separate Body to deal with, define or issue guidelines for adaptation funding. The Adaptation Fund is under the Kyoto Protocol, while the LDC Fund caters only to LDCs. He said other developing countries also have adaptation needs - particularly those that are not going to attract much mitigation finance, because

they have a lower potential for mitigation reductions. He felt a smaller Body such as a standing committee, with suitable representation from vulnerable countries, could be more successful at addressing these issues. He said a MRV package has to cover the concerns of all developing countries.

A European participant said an allocation framework for funding would be difficult to agree, and asked whether the proposal that all countries receive a portion of the funding would address the concerns. A participant said that a resource allocation framework is not necessarily a bad thing - depending on how the criteria are agreed. He said many countries have a formula for allocating resources to sub-state actors and cited the example of the US, where the Federal government does not allocate money to states, but funds programmes. Every state is assured one per cent of the total amount, and the rest is allocated funds on a needs basis. The important element in that example is that for the allocation system to be considered fair, all the states have to receive a portion of the funds.

Another participant said the Adaptation Fund Board is in the process of grappling with a similar issue, on how to ensure that all developing countries receive

funding and the rest is allocated on the basis of certain vulnerability parameters.

A developing country participant said currently, the only assured funding for adaptation is from the Adaptation Fund, which is resourced from a portion of funds from projects developed and hosted by developing countries. A proposal to introduce a similar system for market mechanisms among developed countries during the COP in Poznan had not succeeded. A European participant responded that he was surprised that the Norwegian Proposal, which was aimed at generating funds by setting aside a portion of the developed countries assigned units and monetising them, had not been supported by developing countries. He added that the proposal did not stand a chance of success at Cancún, but his country had tried quite hard to have it accepted in the run-up to Copenhagen.

Another participant said it was very important to identify such automatic sources of truly 'international finance' (as opposed to tax-payers money) as it allowed more flexibility. A European participant said the High-Level Advisory Group on Climate Change Financing (AGF) is exploring several such sources, and following its report in October 2010 there is a

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chance that these sources would be considered more seriously under the COP over 2011. There were several options on the table, including for instance aviation and maritime taxes, which could provide more stable long-term finance, although they were not without controversy.

In the discussion that followed on such automatic sources, the main problems identified were: the opposition of some governments to the hypothecation of funds; concerns that many developed countries would not support such proposals leading to unfair and unsustainable burden sharing with only a few countries paying their share; and fears that some countries might inflate their targets to generate the funds for free. European participants said funds raised from a system similar to the Norwegian proposal would be considered public, not private, finance.

Another European participant said that the EU had already agreed a system whereby a portion of the funds from Emission Trading within the EU would be set aside to fund climate change activities internally, with a small portion going to the global pot. He agreed that the recommendation of the AGF might give impetus to the discussion on such automatic sources.

Some developing country participants were not, however, very optimistic about the recommendations of the AGF, saying such automatic sources had been on the table for a long time in the discussions related to finance for development. A European participant felt it would be useful to have a discussion similar to the one underway on the recommendations of the AGF, to reach common understanding. He felt it was also important to discuss the role of private finance, as many had doubts and suspicions while others considered it an important source; and ways and means to ensure a more equitable distribution of funds from sources such as the CDM.

A European participant said he felt the EU and developing countries were close in their thinking of how the Climate Fund should be structured, but not so much on the Finance Committee. But having heard recent comments, he felt they might be able to reach a common understanding. He said such a committee might be useful in carrying out periodic

reviews of climate change finance, reviewing gaps, and formulating guidance to actors outside the convention to address these gaps. The EU had discussions along these lines, but had not arrived at a decision on who should perform this function.

However, he said there were some functions of the proposed Finance Committee, included in the proposal circulated on the first day of the Seminar, which were problematic - including assessed contribution, and the review and verification of contributions. He said these were redline issues for his government, and very likely for other developed countries as well. He said agreeing on a set of functions of such a body could be a starting point, and other functions could be added subsequently. However, he had two concerns. The first was that he was not convinced that the recommendations of such a body would pass through the COP without all the issues being reopened for discussion. Second, would the body have sufficient political weight to influence outside actors, including bilateral and multilateral agencies, to act on its recommendations? He was also concerned that the body would duplicate the role of the SBI, and asked whether it was being proposed that the SBI be abolished and replaced by a number of smaller committees.

A participant said the idea of the Body was to ensure a better oversight and assessment function than the COP is able to provide through its annual meetings. He said the composition of the Body would decide whether the COP accepts its recommendations. If the Body is representative and the Parties have faith that their concerns have been taken into account, it is more likely that they will not re-open issues for discussion at the Plenary. He cited the instance of the Adaptation Fund Board, saying that because the Board was considered representative, the COP passed its recommendations for the rules of procedure, operational guidelines and fiduciary standards without re-opening debate. This would not have been the case if a body of indeterminate composition had formulated the rules.

On the question of whether the Body will have sufficient weight to influence actors outside of the UNFCCC, one developing country participant said that was precisely the problem with the existing system, where the COP did not have sufficient

influence on actors such as the GEF and World Bank. Another participant said the main difference between a 'board' and a 'committee' is the latter cannot take decisions like the former, but only make recommendations.

## Bonn Seminar 2010

The ecpi Bonn Seminar was held on 6 June 2010 at La Redoute in Bonn, Germany. It continued the tradition of timely and lively discussions between senior developing country and European negotiators on 'crunch' issues related to the international climate change negotiations. Participants stepped back from issues related directly to substantive negotiations this year, to review the negotiating process itself. This was considered essential in the aftermath of the 2009 Copenhagen Summit, where serious concerns were raised regarding both breach of existing negotiating procedures, and shortcomings in negotiating process.

Participants also tackled the complicated question of the legal form of a future outcome of the climate negotiations – an issue that is holding up progress in the climate negotiations. With key negotiating Parties insisting on a single global and comprehensive climate treaty that includes legally binding commitments all major economies, any future outcome from the negotiations seems unlikely. The 2010 Bonn Seminar participants considered the possibility of 'Unilateral Declarations' providing a way out of this deadlock.

## Unilateral Declarations

Wouter Geldhof, Partner at the international law firm Stibbe Brussels, made a presentation on Unilateral Declarations in international law. He said many national law systems recognize Unilateral Declarations, mostly through jurisprudence. International law is mainly formed through treaties, custom (practices by a majority of states which they follow because they believe it is law), general principles of law, good faith, judicial decisions, and teachings of highly qualified experts in international law. 'Unilateral Declarations' (UD) have also been used to establish legally binding commitments - for instance in avoiding the breakdown of the second

round of the Strategic Arms Limitation Talks (SALT II) between the US and the then USSR in the 1970s.

The two countries had an interim agreement on the limitation of their nuclear weapons, valid until 3 October 1977. A new agreement was to be completed by that deadline – however, as it drew closer it became apparent that it would not be met. To bridge the gap, the US issued a UD stating that they would not take action inconsistent with the interim agreement. Three days later, the USSR issued a similar UD.

The extent to which UD's are legally binding on a State was made clear in a ruling of the International Court of Justice (ICJ), also in the 1970s, in a case related to France's nuclear tests in the Pacific. France had stated on numerous occasions that they would stop these tests, but failed to do so. New Zealand and Australia asked the ICJ to rule on whether France was bound to its assertions that it would stop, which amounted to a Unilateral Declaration. The ICJ conformed that a state can be bound by such a UD. For a UD to be legally binding, ruled the ICJ, two conditions must be met: it must be public or generally known, and the act must show the intention of the state to be bound. In another case related to UD's, the ICJ further ruled that a UD need not be directed to one individual, group or country, but can be directed to the international community, and can be legally binding on states.

In 2006, the International Law Commission drafted guiding principles for UD's capable of creating legal obligations. The Commission confirmed the two main conditions laid down by the ICJ, and added that such a UD must be made by an authority vested to do so, including Heads of State, Heads of Government and ministers of foreign affairs. The form of the UD (written or verbal) is not material, as long as it is stated in clear and specific terms. A UD may be addressed to an individual state or the international community. The guiding principles add that such UD cannot be revoked arbitrarily. The UD can include conditions for revocation.

## UNFCCC Catch 22

Geldhof said the UNFCCC process is in currently in a Catch 22 situation. The EU blocks wants major economies to take on comparable cuts, the US will



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do so only if BASIC countries take on equal targets, but the BASIC countries want differentiated treatment. UD's might give a kind of outcome from this vicious circle and could fit in the Bali Road map, AWGLCA and KP. Under such a scenario, the Kyoto Protocol would carry on to a second commitment period, but include some COP decisions endorsed through a UD by the US and BASIC countries.

In the question and answer session that followed, Benito Müller, co-author of the report on UD's, further explained that before the 2007 Bali conference the climate negotiations were caught in a 'tripartite' Catch 22 between the US, Annex B countries and large emitters. The Annex B countries refused to agree to a second commitment period for the Kyoto Protocol until at least the US took on comparable reductions. The Byrd-Hagel resolution in the US, meanwhile, meant that the US would not take on reductions until the major developing countries did so.

In Bali, one part of this Catch 22 was resolved through the compromise between the US and BASIC in paragraphs 1.b.i and 1.b.ii of the Bali Action Plan. Developing countries agreed to take on Nationally

Appropriate Mitigating Actions (NAMAs) as long as requisite financial and capacity building support was provided.

What was not agreed in Bali, however, was the legal form that a future agreement would take, and how it would relate to the Kyoto Track. The US has now been talking about 'legal symmetry' between the US and BASIC. That could be achieved if both take on UD's, with different content. BASIC countries could undertake NAMAs - conditional on support, as agreed in the Bali Action Plan. The US could enter into a legally binding agreement without having to seek Senate approval or ratify.

The UD's would be an added ingredient to the COP decisions. This would not be a grand unifying treaty everybody is hoping for, but at the same time it would but not just be a free- for-all the US is currently suggesting.

One of the participants asked how this would help the US overcome the problem of domestic legislation, to implement the commitments made under a UD. Müller said a similar situation had arisen in the SALT talks, where President Jimmy Carter was accused of

undermining the Senate by opting for a UD. However, lawyers pointed out that he had the support of at least 51 Senators – a majority, and hence he was not undermining the Senate. In order to write a climate-related UD into domestic legislation, the support of 60 votes would be needed. This is still less than the 67 votes needed to ratify an international treaty.

### Overestimated 'bindingness'

Geldhof said the term "legally binding" has limited implications in international law, which depends mostly on a voluntary regime. States comply because they want to, not because they are forced. For instance, if Annex B exceeds its target under the Kyoto Protocol, there is no international military force to make them comply. The compliance tool of the Kyoto Protocol is therefore 'soft' – member states that fail to meet their targets by 2012 will have their ability to sell emission credits suspended and must make up the difference, with a further penalty of 30% of their assigned amount in the second commitment period. So although the Kyoto Protocol is binding, its 'bindingness' should not be overestimated. Compliance is more a matter of losing face than sending in the Marines.

One of the participants said there appear to be different interpretations of what a 'legally binding outcome' means. Müller said the legally binding aspect is mainly aimed at domestic constituencies – for instance, to assure investors for the investments they will have to make in order to reach goals in the next 5-0 years. In fact, countries can withdraw from an international treaty if they are in danger of non-compliance. It would be more difficult to withdraw from a UD. A UD is therefore not 'an easy way out' – it is as, if not more, binding as a treaty.

One participant expressed a preference for a treaty with strong enforceability, including sanctions. Another participant said including compliance and enforcement in multilateral declarations is the next evolution of international public law. If a UD is binding on a state, citizens could take governments to court for not complying, thus enforcing it nationally.

### UNFCCC Process

Benito Müller, Director of Oxford Climate Policy, made a presentation on the UNFCCC negotiating

process based on a survey carried out among negotiators in the aftermath of the 2009 Copenhagen Summit. He said that whereas the existing process works if it is applied properly, there are three major concerns that need to be addressed:

- The lack of trust in the formation of 'small groups' to negotiate text during negotiations. It is undeniably easier to negotiate text in small groups than in Plenary – but the question is how to improve the selection of small groups, and make the process more inclusive, open and transparent.
- The structure and role of 'high level segments', when ministers and heads of states are present at negotiations.
- The relationship between the Presidency, Bureau and the UNFCCC Secretariat, which is currently uncomfortable.

### Small Negotiating Groups

There appear to be different interpretations of how small groups should be elected. The process seems to work without problems overall, but there have been some problems over who is invited for intersessional consultations (although these consultations are not meant to be negotiations). The key issue appears to be one of transparency – ensuring that those who are not present can find out what happened at the meeting, or participate by proxy. One way of overcoming this is to have a core group of participants for any such meeting, and at the same time to have a few places that are open, for countries or regions that would like to attend. If they are too many countries that would like to attend, regional groups would have to choose representatives from among them. This is what happens in the case of civil society representation, where the Secretariat invites groups to appoint their representatives. This creates inclusiveness. The participants then have a responsibility to report back to the rest of the group.

### High Level Segment

Following the Copenhagen Summit, a key question for the UNFCCC process is how to make the best use of High Level participation in negotiations, without undermining the work done by negotiators.

Several problems arose in this regard at Copenhagen: there was duplication of work, as the same issue was discussed at the political and negotiating levels – sometimes at the same time; issues already dealt with by negotiators were reopened at the political level; and some country negotiators felt their ministers were taken away and manipulated.

At the same time, political involvement is very essential for the success of the negotiations, and ‘quarantining’ the political negotiations from the technical negotiations is not a good idea. Politicians can be more flexible than negotiators in finding solutions. They should not, however, be tasked with drafting text. This should also be left to the negotiators, and not be undertaken by the political segment. While EU ministers are used to drafting text, others are not and are therefore at a disadvantage.

Müller suggested rules laying down a structured, sequential and iterative process for the two segments to interact. For instance, political involvement could begin at a meeting with a formal, institutionalised briefing from the negotiators, either from country delegations or regional/ political groups. Ministerial level negotiating groups could then be formed to deal with ‘crunch’ issues – with careful attention to ensuring inclusiveness and transparency. A debriefing and a technical session could follow, where negotiators draft text. Further negotiating sessions may be needed, depending on whether the text is acceptable negotiating session.

### **The Relationship between the Presidency, Bureau and Secretariat**

Benito Müller said the relationship between the Presidency, Bureau and Secretariat was even more important – and equally difficult to resolve. The role of host country/Presidency in the negotiations is totally out of balance, and viewed as a chance for local politicians to score points. The Presidency chairs the conference. This appears to be a recent change – at the Kyoto Conference in 1997 for instance, it was not a Japanese minister but Ambassador Raúl Estrada-Oyuela who chaired the negotiations throughout. The Presidency has also taken on the role of convening smaller meetings – and taking on de facto Presidency

not only during the COP, but during the preceding year. The Bureau, meanwhile, has become more and more marginalised. A more permanent home for the negotiations may help overcome this problem.

Another area that is causing mistrust appears to be the role of the UNFCCC Secretariat in speaking for the process to the outside world (for instance, to the media and to civil society). The Executive Secretary is meant to be impartial, but is put in a difficult situation when called on to speak on substantive issues.

Bo Kjellén, Senior Research Fellow at the Swedish Environment Institute also made a presentation on the process based on a paper circulated to the participants, *Friends of the Chair, or the Chair's (true) friends?: The Art of Negotiation in the Rio process and climate negotiations* the importance of transparency, representation and of reporting back. He said that as the negotiations got more complicated, it is necessary to have smaller groups in order to take some of the pressure off negotiators. This includes rules, such as not having more than two meetings at the same time.

He emphasised the importance of having outside convenors, and meeting under the Chatham House rules, which would help others better understand the real background of positions. A country's position is decided on the basis of national circumstances – including for instance the political and economic situation. Negotiators need to be aware not only of the positions but also the background of these positions.

Kjellén supported Müller's idea of sequencing the interaction between the political/ High Level negotiations and the technical negotiations and drafting. He said over 110 Heads of State were present at the United Nations Conference on Environment and Development (UNCED) in 1992, but they did not negotiate text. They made statements, and negotiations carried on long after the limos had left. Ministers can be used as a last resort, to resolve crunch issues as they have a broader mandate. However, ministerial agreement would have to be developed at the technical level, as Ministers are often not familiar with details.

Kjellén said the role of the Chair is much more than just chairing meetings – it is to organise the process



ecbi Finance Circle and Transitional Committee members meet in Mexico City on 28 April 2011

in cooperation with the Secretariat and represent the process in many different ways. He said it was an advantage to have one Chair who did not belong to any group, but was committed to getting a result in consultation with all groups. A co-chair was only necessary if trust was lacking in the Chair. Until the Kyoto conference, there was only one Chair, balanced by the Bureau and a Rapporteur. Getting agreement in the Bureau was always a bit of a problem, but the Chair was in a unique position of having a certain confidence invested, allowing him/her to take the lead in certain negotiations.

Another participant at the meeting agreed that the concept of a 'co-chair', recently introduced to ostensibly balance North-South representation, was in fact institutionalising the divide and emphasising rather than diminishing suspicion. Moreover, she felt some of the best G77 negotiators were 'neutralised' by being appointed co-chairs. The proliferation of negotiating groups and the resulting need for co-chairs has meant that co-chairs are often clueless about the issues they are dealing with in the group. The process of appointing co-chairs has also become very arbitrary. There used to be

consultations, but not any more. It does affect the process.

During a discussion on the role of the Bureau, Kjellén said the Bureau was meant to be a small group with regional balance, acting as a sounding board for the Chair. At UNCED, the Bureau turned out to be of no value whatsoever, as everyone wanted to be on the Bureau and there were 53 members who never met.

Another participant said the Bureau is meant to take care only of procedures. The regional representatives have the responsibility to bring to the Bureau the concerns of the regional members and of reporting back. The Bureau deals with questions such as bad hotels, high prices, members robbed or harassed. They do not get into substantive matters, but members have to be very clear about the rules of procedure. The Bureau also helps the Secretariat to keep the process going smoothly. In some negotiations, such as the Convention on Biological Diversity, the Bureau has a bigger role (such as appointing the Executive Secretary) that has been institutionalised through COP decisions.

She added that in the past, the President of the Conference could not make substantive contribution to the process, such as presenting a paper. Only Parties could present papers and positions - in a 'Party-driven' process all substantive matters must emanate from Parties. The rules of procedure clearly state that President cannot exercise the rights of a Party.

On the High Level Segment, one participant said that Ministers should not be handpicked for negotiations – all ministers should be involved. One of the causes of the failure of Copenhagen was the exclusion of the ministers from some countries in the discussions. Another participant said developing countries suffer many disadvantages in a high level meeting. First not all can attend, either because they are overworked or lack the budget. It is often not clear in advance who the environment or foreign minister will be during a negotiation session. Ministers are not briefed regularly at intersessional fora like the OECD.

In Copenhagen, issues were taken away for discussion at the High Level Segment arbitrarily – not because they were crunch issues. Negotiators felt they were progressing well on trade and finance issues, for instance, but these were taken up at the High Level Segment. Another participant felt that after Copenhagen, the role of the negotiators needed to be re-emphasised. He also felt that the incoming Presidency should take charge at the end of a COP. On a positive note, he said Copenhagen was an eye-opener for many developing country politicians, as they saw that some countries have Ministers for climate change, and accorded it high importance.

Another participant emphasised the need for more ministerial-level meetings at the regional level intersessionally, to keep Ministers informed and engaged.

At the end of the session, Kjellén said it is important to recognise that Ministers carry the mandate of the people, and the best tools possible should be made available to them in order to carry out this mandate. He suggested the ecbi should take the discussion on process further. Müller said a draft report on the issue would be circulated for comment among participants by the end of August, and discussions would be continued from there.

## Finance Circle

In 2010, the ecbi launched the new Finance Circle meetings under the Fellowship Programme. They are similar in objective to the meetings organised for the Adaptation Fund Board: capacity and trust building to foster greater consensus in the UNFCCC negotiations. The Finance Circle is open to all UNFCCC parties.

Four meetings were organised during the reporting period of this Report, coinciding with major negotiation sessions – two meetings in Bonn, and one each in Tianjin, and Mexico City. A Finance Circle Library was also launched in 2010. The Library has been well received and considered an invaluable resource by negotiators.

## Workshop Programme

The ecbi Workshop Programme covers the Regional Workshops, Pre-COP workshops and Bursaries provided to LDC delegates. Three regional workshops were organised in 2010/11, in Latin America, East and Southern Africa, and West Africa. The Regional Workshop for South and South East Asia was moved to a Pre-COP Workshop ahead of COP16 in Cancún, Mexico.

### Regional Workshops

#### Latin America

Con el patrocinio del ecbi y el apoyo de la organización Mainumby-Ñakurutú, se realizó en la ciudad de Santa Cruz, Bolivia el II Taller Regional para el Desarrollo de Capacidades para las Negociaciones de la Convención Marco de las Naciones Unidas sobre el Cambio Climático, entre el 8 y 9 de febrero.

Hasta la tierra cruceña llegaron delegaciones de México, Panamá, El Salvador, Guatemala, Brasil, Venezuela, Cuba, Argentina, Uruguay, Paraguay, Chile y Perú. A ellos se sumaron también representantes bolivianos para debatir temas como la



reducción y mitigación en la emisión de gases, adaptación, equidad, financiamiento, entre otros. El propósito del evento fue debatir y buscar visiones en común sobre lo que pasó en Copenhague y en vistas a la reunión de la COP16 en México.

El II Taller contó con la presencia de representantes de 13 países (en total 25 personas, 19

representantes y 6 personas entre organización y facilitación del Taller). El evento fue realizado en el Biocentro Güembé, ubicado a diez minutos de la ciudad de Santa Cruz.

### Contratación de recursos humanos

Se subcontrató a personal en las siguientes áreas:

- Dina Luque: Parte administrativa y apoyo logístico
- Madelein Segurondo: Apoyo a la organización y logística
- Edwin Condori: Diseño de banners, CD y resumen del evento en lenguaje web

### Conclusiones

Se realizó una encuesta con 5 preguntas, para evaluar el Taller y del cual salieron las siguientes conclusiones:

- El 68,75% de los participantes piensa que el Taller fue “excelente” en términos generales
- El 81,25% de los participantes calificó a las presentaciones del Taller como “excelente y buena”
- El 93,75% calificó de “excelente y buena” la organización del evento
- En cuanto a la agenda, el 50% la consideró “excelente” y el otro 50% la calificó de “buena”.
- No hubo respuestas en cuanto a la calificación de “no colmó mis expectativas”.

Respecto a las respuestas cualitativas tenemos:

- Mantenerlos informados sobre otros eventos y enviar información de contacto de los otros participantes
- La idea de organizar un evento en la naturaleza les gustó
- La agenda preliminar con la agenda real del evento no coincidió
- Por lo menos dos personas por país y si fuera posible más personas



**Regional Workshop for East and South Africa, March 2010**

- Que la agenda incluya presentaciones de los participantes sobre temas específicos a nivel país
- Mayor coordinación entre Mainumby y el ecbi
- Una gran parte no tuvo problemas con que el Taller sea bilingue

### East and South Africa

The Regional Workshop for East and South Africa was held in Nairobi, from 1-2 March 2010. Alice Kaudia, Kenya's Environment Secretary, opened the workshop and presented the Kenyan government's response to the Copenhagen conference. She emphasised the role of negotiators in informing politics and politicians of the importance of the climate negotiations.

David Lesolle, a senior negotiator from Botswana, gave a presentation on expectations from COP-16. Achala Chandani presented an analysis of the Copenhagen Accord. She said few developing nations had had the opportunity to provide input to the Accord. The future of the Accord remained ambiguous, with three possibilities: it will not be immediately operational within the UNFCCC and its

implementation is taken up in another forum (grouping of friends of the Accord, bilateral agreements, regional agreements, the G20 and /or the G8); COP-15 report will contain information on how Secretariat believes the COP-16 and present for ratification (risk of 'taking note' again), or; until the form of outcome of the Ad-Hoc Working Group on Long Term Cooperation (AWG-LCA) is agreed, the Accord will play a role in guiding the negotiations of the AWG-LCA and AWG-KP in the near and long term future.

Liberal Seburikoko, a negotiator from Rwanda, spoke on the current status of the negotiations. He said negotiations in the AWG-LCA were slow because a number of issues in the heavily bracketed text had to be forwarded to the ministers for decisions. Instead of addressing these issues, ministers sidelined them and instead focused on the Copenhagen Accord. He outlined several prerequisites towards breaking the negotiation deadlock: politics, planning and strategy, and the need for persistence and patience. Under politics, he emphasised the fact that vulnerable countries are politically engaged but do not have enough alliances to have a powerful role in the negotiations. He argued that there was room for

improvement as far as planning and strategy is concerned and stated that *'failure to plan is ultimately planning for failure'*. Finally, he said intense technical preparation was needed on some key issues (such as REDD and MRV).

Sumaya Zakieldeen from Sudan and Saleem ul Huq then gave a joint presentation focusing on adaptation in the context of negotiation outcomes, as it relates to Africa. They said there has been very limited funding allocated for adaptation despite the clarity on the impacts. They then presented the various positions of developing countries on adaptation in the on-going negotiations, including:

- A call for the establishment of an adaptation framework/programme to enable Parties to start national adaptation actions
- Support through means of implementations (finance, technology development and transfer, capacity building)
- Full cost of adaptation actions, already covered in the UNFCCC text
- Simple (access), grant-based and full cost (sufficient) financial support
- New, additional, adequate and predictable financial resources
- Compensation for unavoidable loss and damage
- New body (operational, action oriented) that should be governed by the COP3
- Fair Representation of Groups in newly formed bodies; and
- Assessment of delivery of support and compliance (penalties) in place.

In the discussion that followed the presentations, participants discussed the possible outcomes of the Copenhagen Accord, and how to move it forward at the next COP in Cancún, given the controversy of its legal status. What is the effect of parties "associating" with it or those 'rejecting it'? It was acknowledged that there were a number of positive elements in the Accord, such as the mandate to extend the ad-hoc working groups; reasonable consensus on REDD; and recognition of adaptation and provision of finance in the short term. Participants discussed the need to:

- enhance and strengthen negotiation strategy
- build strong bridges between negotiations, policy makers and political leadership

- streamline and harmonise coordination, leadership, and alliances in championing Africa's common positions
- provide consultancy services to back up negotiations at various strata of leadership; and
- have a strategy to deal with unforeseen circumstances.

On the second day of the workshop, Emily Massawa from UNEP presented a paper on climate governance. She pointed to the fragmentation of global governance of climate change, and outlined the following key questions for discussion:

- Discussions on climate change in new forums seem inevitable. How do you guarantee that such a fragmentation does not affect the transparency/equity of the negotiating process?
- What importance do regional forums carry for negotiating/implementing? How do we stimulate regional cooperation?
- How do you stimulate national/sub-national debates without losing agility in the negotiations?

Bruno Sekoli from Lesotho, Chair of the Least Developed Country Group, made a presentation on the High-Level Advisory Group on Climate Change Financing (AGF), set up by UN Secretary-General Ban Ki-Moon in February 2010. The AGF, co-chaired by UK Prime Minister Brown and Ethiopian Prime Minister Meles Zenawi, was set up to mobilise financial resources for climate change over a period of ten months. Sekoli said AGF sets out to:

- Develop practical proposals to significantly scale up both short-term and long-term financing for mitigation and adaptation strategies in developing countries
- Define steps on how to jump-start the mobilisation of new and innovative resources to reach \$100 billion annually by 2020. This will both be public and private sources
- Prepare a preliminary report by June 2010, with the final recommendation completed before COP16; and
- Build momentum in the UNFCCC process, toward the successful negotiation of a comprehensive climate change agreement.

Benito Muller gave a presentation on the lessons learned and next steps in the negotiations. He began

by discussing expanding concerns around justice questions and balance of discussion themes. Muller noted that traditionally ODA neither involved obligations to pay, nor entitlements to receive. There was no issue of contributing or receiving 'a fair share'. He went further to illustrate that the nature of financial payments for climate change activities, particularly in the case of adaptation and response to climate impacts is one of restitution. Few proposals and emphasis have raised the issue of how to distribute climate finance equitably.

He said climate change finance involves a number of different themes and issues of 'thematic balance'. He described the differences between systems of governance that were fragmented, as opposed to consolidated; centralised, as opposed to decentralised; and devolved, as opposed to retained.

He said not all funding purposes lend themselves naturally to be devolved to the country level. While mitigation and adaptation *per se* would seem to be prime candidates for such devolution, funding decisions for certain types of capacity building and technology transfer may be better kept at the international level. Even with respect to the other themes, he makes a note that there will for some time to be the need to retain a more traditional international funding capacity, for it may take some time before all countries will be able to participate in the devolved disbursement regime.

### Final comments and way forward

Participants acknowledged the need for strategies on better/effective ways to negotiate, and appreciated the need for capacity building and networking amongst negotiators. They called for an institutional framework to facilitate effective participation for negotiators in East and South Africa, with regular strategy meetings. They also highlighted the urgency of streamlining negotiation outcomes with existing national policies and strategies.

### West Africa

L'atelier régional francophone pour l'Afrique de l'Ouest s'est tenu à Dakar au Sénégal du 05 au 07 juillet 2010. Cet atelier ecbi qui était le plus important

en termes de nombre de participants, avait aussi, comme les ateliers précédents, comme but principal de renforcer les capacités des négociateurs africains en amont et en aval des sessions de négociations entre Parties à la CCNUCC. Cet atelier avait en effet recueilli la participation de 45 personnes provenant de 14 pays d'Afrique de l'ouest et du centre: les négociateurs à La CCNUCC, des parlementaires des pays concernés et des représentants des Ministères des finances.



Huit communications ont été présentées. Les débats ont principalement portés sur l'Accord de Copenhague, la Stratégie CC de l'Afrique, l'Atténuation, l'Adaptation, les Financements, les questions légales et le Transfert de Technologies.

Une visite a été organisée pour les participants au Centre de Suivi Ecologique du Sénégal, première Entité Nationale de Mise en œuvre (NIE) sous le Fonds d'Adaptation. Cette visite était aussi l'occasion pour les participants à l'atelier ECBI de prendre part à un « side événement » organisé par le CSE et qui portait essentiellement sur le processus qui a conduit le Sénégal à obtenir la désignation du CSE comme NIE.

Un des principaux résultats de cet atelier pour l'Afrique de l'Ouest a été la Résolution de Dakar. Les Honorables parlementaires présents à l'atelier ont initié cette résolution et les versions signées Française et Anglaise de cette résolution sont disponibles sur le site web d'ecbi.

### Déroulement de l'atelier et des échanges entre participants

L'atelier a été ouvert par Jean-Philippe Thomas (ENDA). Dans son allocution de bienvenue aux participants, M. THOMAS a rappelé les objectifs visés

par cet atelier qui constitue un cadre idéal d'échange entre négociateurs africains sur les enjeux des négociations au sein de la CCNUCC mais aussi sur les priorités qui devront être défendus par les africains. Il aussi rappelé que cet atelier se tient régulièrement chaque année en partenariat avec ENDA Tiers Mondes, ILED et ecbi. Après avoir constaté avec satisfaction tout le chemin parcouru par ecbi en termes de renforcement des capacités des négociateurs africains et notamment francophones, Jean-Philippe a souligné qu'il est heureux de voir aussi la participation de parlementaires et des représentants de Ministères des Finances à ce genre de rencontre. Tout en souhaitant plein succès aux travaux de l'atelier, M. THOMAS a passé la parole à M. El Hadj Mbaye DIAGNE Président du COMNAC (Comité National Changements Climatique) qui a présidé la rencontre.

### Que s'est il passé sur le chemin vers et à Copenhague et quelles sont les conséquences?

Présentation de Benito Müller

En substance, cette présentation est revenu largement sur le processus qui a conduit à l'Accord de Copenhague, le fameux « texte danois » et surtout le fait que la CoP n'avait que « pris note » de l'accord de Copenhague ainsi que les conséquences qui en ont résulté notamment avec l'émergence du groupe des pays du BASIC (Brésil, Afrique du Sud, Inde et Chine) qui de nos jours est entrain de s'étendre.

A la suite de cette présentation, une discussion fut ouverte afin que les participants répondent à la question suivante: quelles sont d'après vous les conséquences de Copenhague pour l'Afrique?

Cette présentation fut suivie par celle du Président du Groupe Afrique (T. Mpanu Mpanu) sur la Stratégie africaine dans les négociations, le contexte scientifique politique et économique, les négociations au sein du WG-KP, les négociations au sein du AWG-LCA, processus des négociations, perspectives pour Cancún et au delà. M. Mpanu Mpanu est largement revenu sur les enjeux des négociations autour des blocs adaptation, mitigation, transfert de technologie, REDD, finance. Dans sa conclusion Mpanu Mpanu a réitéré l'engagement de l'Afrique à la Feuille de Route de Bali et à la continuation du Protocole de Kyoto. Il a aussi insisté

sur les revendications de l'Afrique dans les négociations, lesquelles revendications sont basées sur ce que dit la science. Pour les pays qui se sont engagés dans l'accord de Copenhague, Mpanu Mpanu suggère à ce que cet accord soit le plancher et non le plafond. Il a enfin souligné la nécessité d'une représentation démocratique et transparente de la position africaine à tous les niveaux y compris au segment de haut niveau qui aura lieu à Cacun.

### Quelle stratégie pour l'Afrique?

Suite aux deux premières présentations, les participants ont tour à tour pris la parole les uns pour commenter le contenu, les autres pour poser des questions ou faire des recommandations. Si certaines de ces recommandations suggèrent à ce que l'Afrique se joigne aux pays du BASIC (ne serait-ce que pour ne pas être isolée et mise à l'écart), d'autres estiment que les pays africains ayant des préoccupations très différentes, rejoindre le BASIC ne serait pas une bonne idée. L'enjeu pour l'Afrique serait plutôt de savoir comment, quelle stratégie adopter pour influencer le contenu de l'Accord de Copenhague en ligne avec les intérêts du Continent? Quelle est la suite réservée à la Déclaration issue du sommet des Ministres de l'Environnement africains de Bamako? Sur cette question, les participants ont jugé fondamental d'asseoir une cohérence dans la représentation de l'Afrique aux négociations. En effet, il ya eu plusieurs documents de position africaine: une première rencontre au Bénin en 2008 (Plan d'action de Cotonou), puis à Alger (Plateforme d'Alger et récemment à Bamako (stratégie de Bamako qui contient 14 points). Il faut éviter les erreurs du passé et harmoniser les approches entre techniciens (négociateurs) et les politiques au haut niveau. Il faut régler la question des acteurs et comment ils agissent au nom de l'Afrique et par là déterminer quelle est la meilleure manière de construire une position africaine solide. Afin d'éviter des incohérences dans les positions africaines, il est important identifier toutes les positions (Groupe Afrique, Union Africaine, UEMOA, etc.) et voir quelles alliances peut on faire avec d'autres groupes à la CCNUCC. Il est aussi important pour l'Afrique d'avoir des maxima et des minima avant d'aller aux négociations. L'Accord de Copenhague a beaucoup de mauvais points pour l'Afrique comme le manque d'arrangements institutionnels, les « mesures de

réponses » face aux effets du Changement Climatique, le manque de priorité au sein des pays en termes de vulnérabilité, l'absence des mécanismes d'assurance, l'absence de l'additionalité.

### L'Adaptation

La présentation du bloc Adaptation était intitulée « Le régime post 2012: aspects des négociations sur l'Adaptation »

Dr. Ama Kwansima Essel (Ghana). Cette présentation était axée autour du Plan d'Action de Bali (Décision 1/CP13), processus après Bali, Plateforme Africaine, le texte AWGLCA de Copenhague, l'Accord de Copenhague et le texte "Chair" pour l'après Copenhague. Dr. Essel avait mis en évidence les principaux points d'achoppement sur le bloc Adaptation. Ces points sont entre autres la portée de l'adaptation et la question de savoir si les mesures de réponses devraient aussi faire partie de l'adaptation.

Suite à cette présentation, les débats ont tourné autour du fait que le Groupe Afrique ne doit pas se détourner de l'adaptation car c'est la priorité pour l'Afrique. Cette position est déjà mentionnée dans la Plateforme Africaine. Presque tous les pays PMA ont élaboré leur document PANA et attendent toujours les financements. En termes de financements pour l'adaptation justement, Benito dans son intervention estime que la décision sur ces financements devra être décentralisée et non au niveau des agences des Nations Unies.

### L'Atténuation

La présentation sur le thème de l'atténuation a été produite par Libéral K. (Climate Analysis). Cette présentation était intitulée «Les promesses d'atténuation de Copenhague: De la nécessité de joindre l'acte à la parole». Libéral dans sa communication analyse le déphasage entre les engagements des Parties dans le cadre de l'Accord de Copenhague et les augmentations des températures globales à éviter suite à ces mêmes efforts de réduction de GES. « Que faire pour respecter les objectifs de 2°C ou 1,5°C? » Libéral estime qu'il faut voir les choses en face et "appeler le chat un chat"

S'agissant des réductions de GES, il faut éviter le "hot air". Mais la situation au niveau de la CCNUCC est plutôt celle du statu quo : Si les pays du BASIC ne joignent pas le PK, les USA ne le joindront pas. Et si les USA ne le joignent pas, il n'aura pas d'avenir. Donc tant que les USA ne s'engagent pas dans une réduction substantielle de leurs GES, les autres pays développés ne s'engagent pas et idem pour les pays en voie de développement qui se demandent quelles seront les implications d'une réduction de leurs émissions sur le développement. Il faut cependant explorer les opportunités pour un développement sobre en carbone. On y a intérêt car on gagne en termes de revenu carbone et dans les gains économiques et tout compte fait, est ce que le meilleur moyen de l'adaptation n'est pas l'atténuation?

En termes des hausses des températures à éviter, il est vrai que l'Accord de Copenhague donne la fourchette entre 1,5 et 2°C. Mais ce qui est dommage c'est le fait que les engagements de réduction sont de loin insuffisants pour être dans cette fourchette de température. Concernant les efforts de réduction, l'Europe ira sans doute à -30% de réduction car ils veulent profiter du marché carbone. Pour que ce mécanisme survive, ils ont intérêt à le faire car il est possible de combiner la croissance économique avec la réduction des émissions.

### La Technologie

Ce bloc de négociation a fait l'objet d'une communication de Birama Diarra (Mali). Birama a souligné que jusqu'à la réunion des organes subsidiaires en juin les points d'accord sur le Transfert de Technologie étaient le soutien à un Processus « country-driven and bottom-up », la nécessité d'orienter vers des actions concrètes de transfert de technologies mais aussi la définition des mécanismes de financement. Les points de désaccord portaient essentiellement sur l'organisation institutionnelle du Mécanisme de Transfert, les objectifs chiffrés des investissements relatifs aux technologies d'atténuation et non aux technologies de l'adaptation et bien entendu la question cruciale du droit de propriété intellectuelle qui reste une question hautement conflictuelle.

Il est à noter que les deux points importants pour les PVD étaient le Transfert de Technologies (TT) et les financements. Reconnaisant le fait d'avoir la chance de se réunir grâce à ECBI, les participants ont émis les vœux de commencer dès maintenant à récupérer et collecter dans leurs pays respectifs, des technologies et les partager dans ce genre de forum. Pourquoi ne pas établir un répertoire des possibilités technologiques au niveau régional, des guides technologiques Sud-Sud. Il faut cependant reconnaître que le TT nord-sud exige des efforts de la part du sud car c'est une affaire de privés et non de Parties. Les négociateurs africains doivent aussi savoir que le TT englobe non seulement le développement de technologies, mais aussi le savoir faire qui l'accompagne. Il y a de bonnes pratiques sud-sud qui pourront être partagées. Le groupe d'experts sur le TT a élaboré un guide donnant les informations sur le TT nord-sud et sud-sud. Il y a aussi l'IEPF qui a entamé un vaste programme pour recenser les bonnes pratiques sur l'urbanisme et voir comment capitaliser et partager.

### **Les Financements par Mamadou Honadia (Burkina Faso) avec des compléments de Benito Müller**

Cette présentation a porté sur l'architecture des mécanismes de financement – Les flux de financements, la prise de décision, le rôle des pays dans le processus de décision. Benito a mis en évidence des modèles de financement dans lesquels il fustige le fait que la prise de décision est faite hors du pays qui devait recevoir ces financements. Selon Benito, ces modèles sont soit caractérisés par la rétention, la fragmentation et la décentralisation, soit caractérisés par la dévolution, la consolidation et la décentralisation des fonds, soit caractérisés par la rétention, la consolidation et la centralisation des fonds. Benito propose alors un autre modèle qui est beaucoup plus axé sur la dévolution. Ce modèle a déjà été suggéré par l'Inde. Dans ce nouveau modèle, les décisions sur ce qui sera financé sont faites au niveau du pays concerné en accord entre les donneurs et les bénéficiaires. Cela est nécessaire car des entités nationales de planification (exemple des PANA), des entités nationales de mise en œuvre (Fonds d'Adaptation), des entités nationales de financement (cas de l'Inde et du Bangladesh, etc.)

existent déjà dans beaucoup de pays en développement. Cela est nécessaire afin d'assurer des coûts moindres ainsi que l'efficacité mais aussi le « mainstreaming » du climat dans le processus du développement et la bonne gouvernance. Benito suggère à ce que les négociateurs fassent pression afin que ces approches soient prises en compte dans les négociations. L'Inde a déjà fait une soumission dans ce sens.

Selon Benito Müller, la taxe sur les passagers aériens constitue aussi une opportunité pour les pays en développement. Cette taxe sera au niveau international et respectera le principe de l'additionnalité. Elle pourra mobiliser 10 milliards USD/an pour l'adaptation.

Sur la question de l'additionnalité, les pays africains reconnaissent la difficulté de vérifier mais appellent à la vigilance afin de s'assurer que les pays développés ne fassent pas souvent un recyclage des financements.

### **Une communication sur le concept de: Déclaration Unilatérale**

Benito Müller a présenté des scénarios possibles concernant le traité post 2012. L'Union Européenne voudra un traité global et étendu. Les USA veulent un traitement égal avec les pays du BASIC. Les pays du BASIC sont plutôt pour un traitement différencié. Benito explore deux alternatives (1) une extension du Protocole de Kyoto et un endossement des décisions de la CoP de façon unilatérale par les USA, ou (2) une extension du PK et un endossement des décisions de la CoP de façon unilatérale par les pays du BASIC et les USA.

Si on cherche un traité global on risque de ne rien avoir au final. Il faut être pragmatique et avoir des plans B (des alternatives comme suggéré par Benito). Mais la question qui se pose est: quelle est la valeur juridique d'une décision unilatérale prise par une quelconque partie ou groupe de parties qui ne serait pas ratifiée?

Benito estime qu'en cas de déclaration unilatérale, on peut espérer avoir la même soumission juridique de tous les pays mais les efforts comparatifs seront bien là. Les USA par exemple, pourraient faire une législation interne qui pourrait se transformer en

engagement. Aussi, Il ne faut pas oublié que le Plan d'Action de Bali était accepté par consensus.

#### Echanges d'expériences entre les participants

Le Président du COMNAC (Sénégal) a bien voulu partager avec tous les participants l'expérience du Sénégal en matière de gestion de la question changement climatique au niveau national. Le Sénégal dispose d'un point focal CC qui est en même temps point focal des autres conventions des Nations Unies. Ce Comité inclus les ministères comme ceux de l'environnement, finance, agriculture, énergie, aménagement des territoires, infrastructures, etc. avec des représentants de chaque ministère. Il y a aussi les universitaires, la météo (en même temps point focal IPCC), les ONG (fédérations d'ONGs locales et internationales) comme ENDA, le WWF, IUCN. Les parlementaires (Sénat et Assemblée Nationale), le secteur privé, les élus locaux. Le Comité remonte à la période où le Sénégal devait soumettre sa Communication Nationale initiale. Une fois la CN soumise, on a jugé nécessaire à ce que les gens se retrouvent de temps à autre. C'est ainsi que ce comité est né avec un secrétariat assuré par la Direction de l'Environnement et des Etablissements Classés (DEEC). Ce comité fut institué par un Arrêté depuis 2003. Il vise la sensibilisation, renforcement de capacité, aide aux négociateurs avant d'aller aux négociations. Il fait aussi des comptes rendu des négociations, présentation des projets CC et partages de l'information. Il est constitué de deux sous comités: énergie et séquestration de carbone et sert de soutien technique à l'Autorité Nationale Désignée (AND). Il rencontre néanmoins des difficultés sur le plan institutionnel. Il n'y a pas d'obligations pour les membres qui sont le plus souvent interchangeables sans mise à niveau. Il y a aussi un manque de feedback de la part des représentants. Manques de ressources: le comité disposait d'une subvention périodique de 20 000 Dollars Canadiens gérée par ENDA. Le comité fait des comptes rendu réguliers au Président de la République. Depuis lors, un décret a ordonné le transfert du Comité sous tutelle du Ministère de l'environnement après la CoP 15. Il y aura alors un budget pour le COMNAC. Le comité est présidé par un membre qui n'est pas du gouvernement. Il n'y a que les privés ou la société civile, les élus, etc. qui

sont en contact avec les populations vulnérables, qui peuvent diriger le COMNAC.

Les participants à cet atelier délégués des autres pays ont tour à tour rapporté des expériences à celle du Sénégal tout en soulignant qu'il s'agit là d'un exemple qui inspire et qui est à encourager dans tous les pays africains.

Dans son intervention, le Président du Groupe Afrique a indiqué que la CAHOSCC (Conference of African Heads of State and Government on Climate Change) regroupe 8 chefs d'états dont Éthiopie, Kenya, Nigeria, Algérie, Afrique du Sud, Ouganda, Ile Maurice et Congo Brazza. Tous les négociateurs sont d'office membres de la CAHOSCC. Le paradoxe est que la RDC n'est pas pays membre de la CAHOSCC mais se retrouve à la tête du Groupe Afrique. Il y a là une nécessité d'harmoniser les interventions entre la CAHOSCC, AMCEN, le Groupe Afrique et l'Union Africaine. Au niveau des experts (négociateurs), la RDC est assistée par le Nigeria. Au niveau ministériel (AMCEN), l'Éthiopie assure la coordination. L'Afrique du Sud pourra aussi jouer un rôle mais il faut surtout éviter des ingérences politiques unilatérales souvent inutiles. Les négociateurs du Groupe Afrique se conformeront tout compte fait à ce qui sera décidé, en termes de stratégie africaine dans les prochaines négociations CCNUCC, par les politiques dans deux semaines à Kampala lors de la réunion de l'Union Africaine.

## Dakar Resolution

Gathered at the Regional Workshop on capacity building of West African negotiators on Climate Change, held in Dakar from 5 to 7 July 2010, at the invitation of the European Capacity Building Initiative (ecbi),

**We, Parliamentarians from Burkina Faso, Cote d'Ivoire, Gabon, Gambia, Guinea, Togo and Senegal,**

Having regard to the strategic stakes associated to the Climate Change negotiations,

Considering the outcomes of Copenhagen World Conference,

Having regard to the necessity for Africa to undertake a thorough, inclusive, and structured preparation for the upcoming world Conference on Climate Change to be held in Cancun, Mexico,

Having regard to the roles and missions of the Parliamentarians with respect to representation, lawmaking, follow-up and control of public policies,

**Thank** the organizers of this important workshop (ECBI-ENDA TM) and the Senegalese Authorities who facilitated its organization in Dakar,

**Salute** the diversity of participants, the relevance of the themes and the richness of the debates,

**Salute** the commitment and the expertise of the African negotiators,

**Recommend** the adoption of a unified African position to be considered through a concerted, joint and several strategy,

**Recommend** a large, steady and concerted consultation between different levels of African representations to the Climate negotiations (Experts, Ministries, Heads of States, etc.),

**Recommend** the arrangement of a specialized and diversified expertise to accompany the African negotiators team,

**Recommend** the effective involvement of Parliamentarians in all stages of the negotiations process,

**Invite** the African partners, organizations at the sub-regional level (UEMOA, ECOWAS, CEMAC, etc.) to support the arrangement of the requested expertise and information for a good participation of Africa in the negotiation,

**Invite** the States to create extended national committees on Climate Change and to strengthen the existing allocated resources,

**Invite** the Parliaments to create national, sub-regional and regional parliamentarians networks on Climate Change

**Commit** to insure the promotion within our respective parliaments of the initiatives aimed at a better mainstreaming of the Climate dimension, particularly in the aspects related to the Adaptation, Mitigation, Technology and Financing.

**Signed by Parliamentarians:**

**Tientore Salio (Burkina Faso); Jacques Andoh Allé (Cote d'Ivoire); Jean Claude Mboumi Nzinsi (Gabon); Abdoulie Kanagi Jawla (Gambia); Camara Mohamed Siré (Guinea); Youkoue Nana Mama (Togo); Ousmane Ba (Senegal); and Abdoulaye Sène (Senegal)**

## Session de Clôture

Pour le Président du Groupe Afrique: L'Afrique est multiple. Mais l'Afrique a pu parler d'une même voix à Copenhague. Il est important à ce que l'Afrique continue dans la même voie. L'UA est entrain de militer pour participer aux négociations en tant que partie. Elle pourra s'appuyer sur la riche expérience des négociateurs africains. Il est important de parler d'une même voix et c'est comme ça que l'Afrique sera respectée car représentant 53 pays.

Pour le Président du COMNAC: Sur les comités climat, il faudra que: (1) au niveau de chaque pays il faut que ces comités soit mis en place car il y a des ressources au niveau de la Convention CCNUCC qui peuvent soutenir cela. (2) il faut décentraliser et démultiplier ce genre de comités au niveau local, (3) il faut que les négociateurs s'approchent de leur Ministres pour avoir une meilleure cohérence dans la représentation de l'Afrique. Par exemple l'Afrique du Sud (membre du BASIC et abritant la CoP 17) pourra jouer un grand rôle dans la représentation de l'Afrique. A la prochaine rencontre de Kampala (réunion de l'UA), il faudra que les africains puissent revoir cette architecture.

Au nom des parlementaires présents à la rencontre, Honorable Sene Abdoulaye a témoigné de toute sa satisfaction à prendre part à cet atelier. Ses collègues parlementaires et lui avaient pris l'initiative de préparer un projet de Résolution au sortir des trois jours de cet atelier afin de faire part de leur solidarité et de leur engagement à porter la question changement climatique dans les prises de décisions. Il a ensuite laissé la parole à son collègue Honorable Député de la Cote d'Ivoire afin de procéder à la lecture de cette Résolution. La version signée de cette résolution par les parlementaires est disponible sur. Après lecture, cette Résolution fut adoptée par acclamation par tous les participants de l'atelier.

## Quelques recommandations

Globalement, les participants à cette rencontre ont formulé des recommandations sur :

- L'insuffisance d'expertise aux négociations pour l'Afrique qui part souvent défavorisée aux différentes sessions UNFCCC. Les participants ont ainsi interpellé le ecbi à

assister les pays en développement pour une meilleure présence des experts de ces pays aux négociations.

- L'organisation d'un atelier spécifique sur les questions des financements, vu la complexité des mécanismes de financements
- L'importance d'associer de façon systématique les parlementaires aux discussions. En effet, la participation de parlementaires à cette session d'ecbi fut encore une réussite.
- L'implication des populations à la base aux négociations et s'assurer qu'elles y gagnent quelque chose.
- La mobilisation de chaque pays à avoir une agence comme le Centre de Suivi Ecologique du Sénégal qui constitue l'Entité Nationale de Mise en œuvre sous le Fonds d'Adaptation.
- Le rôle du secteur privé dans la lutte contre le changement climatique au niveau national, en particulier.
- Nécessité de mettre en place des cadres de concertation nationaux impliquant les acteurs clés (comités climats, agences, Ministères, parlementaires, etc.). Les députés pourraient par exemple se constituer en comité sur le Développement Durable.
- Nécessité de mettre sur pied un comité de suivi évaluation afin de valoriser les discussions dans les ateliers ecbi.
- En revanche, les Changements Climatiques ne devraient pas être vus au niveau national comme la priorité surtout quand le Ministère en charge de cette question souhaite interagir avec les autres ministères.

## Pre-COP Workshops

The ecbi organised two Pre-COP workshops ahead of Cancún. These workshops have proved an invaluable tool over the years. They focus not only on negotiation positions, but also on how delegates are going to reach an outcome through compromise.

## South and South East Asia

On 26 November 2010, the ecbi Pre-COP workshop for South and South East Asian Negotiators took place in Cancún. 20 delegates from, among other countries, Bangladesh, Bhutan, Nepal, Maldives, Pakistan, Sri Lanka, Vietnam and Cambodia, attended the meeting. Presentations were made on the issues of adaptation, finance, loss and damage, capacity building, and possible outcomes at COP-16. Participants discussed their national experience on finance and adaptation, particularly focusing on Nepal's National Adaptation Programme of Action, and Bangladesh's Climate Trust Fund. They discussed how to reflect these national experiences in the UNFCCC negotiations.

## African LDC Negotiators

The Workshop for African LDC Negotiators took place on 27 November 2010. Over 18 delegates attended, representing Benin, Burundi, DRC, Ethiopia, Guinea, Lesotho, Mali, Senegal, Sudan and Togo.

The workshop was similar in scope and objective to the Pre-COP Workshop for South and South East Asia Negotiators: to build capacity and help prepare negotiators for the upcoming COP. The Chair of the LDC Group, Bruno Sekoli, discussed the LDC strategy in the upcoming negotiations while the Chair of the Africa Group, Tosi Mpanu Mpanu, discussed the Africa Group strategy in the upcoming COP16 negotiations. Other presentations included those on adaptation, finance, mitigation, and legal issues followed by lively and inclusive discussions.

## Bursaries for Climate Change Negotiators

ecbi provides Bursaries for LDC negotiators to facilitate more in-depth involvement in the UNFCCC negotiations. The Secretariat does provide financial

**Participants in the Pre-COP Workshop for South and South East Asia in Cancún, 2010**



support for two or three LDC delegates, but not for each meeting. The ecbi Bursary allows delegates to participate in all the main meetings and to choose a specific negotiation issue; allowing the scope to follow the issue, and in turn, contribute. The ecbi provided seven Bursaries in 2010/11 including to Yemen who chaired the G77 and China group in 2010. Many of the Bursary holders over the years are ecbi now involved in training new negotiators and have attended ecbi events as a capacity builder – writing papers, presenting and facilitating at pre-COP and regional workshops.

The ecbi Bursary Holders for 2010/11 include Fahmi Abdulhadi Binshbrak (Yemen) working at the Climate Change Unit, Environment Protection Authority (EPA);

Birama Diarra (Mali) working at Direction Nationale de la Météorologie; Gebru Jember Endalew (Ethiopia) working at the Climate Change Forum; Litsabako Kali (Lesotho) working at Ministry of Natural Resources; Dr. Momodou Njie (Gambia) working at the University of Gambia; Dr. Abdalla Gaafar Mohamed Siddig (Sudan) working at the Forests National Corporation; and Dr. Sumaya Zakieldeen (Sudan) working at the Sudanese Environment Conservation Society (SECS).

## Common Activities

### Policy Analysis

One of the key constraints to the negotiating capacity of many developing countries in the UN climate change negotiations is the lack of solid analysis and policy advice concerning the effects of the issues being negotiated. The differences in analytic capacity with the industrialized world are profound and institutionally manifest. The OECD, for instance, has an immense apparatus producing thorough and focused reports, including direct advice on future policy responses to each of the member countries in all relevant areas and social activities.

ecbi produces a number of Policy Briefs to generate information and advice relevant to developing countries' concerns in the UN climate change negotiations. A recent independent evaluation shows that developing country negotiators consider these Briefs as relevant, timely and trustworthy.

ecbi reports range from open, general briefings to more focused and confidential analyses at the request of individual countries. The latter are critical in the formation of each party's strategy in the global climate change negotiations.

### A Successful Outcome of COP16 in Cancún as Concerns Climate Finance?

This ecbi Policy Brief by Benito Müller looks at whether the progress and momentum of the LCA finance negotiations in Tianjin could be harnessed to bring about a successful outcome at Cancún, and what that would be. It envisages a decision to design an agreed voluntary reporting framework for fast start funding. A successful outcome for longer-term finance, it is suggested, would be a package of decisions to operationalise the new Global Climate Fund and the new Standing Committee on Finance, together with a decision to agree on a medium term revenue schedule for the new fund for 2012-2020.

### Staffing Requirements for Managing Climate Finance

David Ciplet, Benito Müller, and J. Timmons Roberts address the question of whether it is possible to give some estimate of how many people it would need to manage the sorts of sums currently talked about with regards to longer-term climate finance. The paper does not aim to establish a universal correlation of staff per unit of funding but simply a lower-bound estimate. It concludes that given the current funding portfolios and management activities (in ODA), it takes at least 250 people to manage \$1 billion. This conservative estimate simply reflects the fact that managing funds properly requires people. The key message of the paper is that the only way to do so effectively, efficiently, and at scale is to delegate as much as possible to recipient countries.

### National Funding Entities

Luis Gomez-Echeverri presents a new report on National Funding Entities (NFEs) in the lead-up to Cancún this December. National Funding Entities have sprung up in twelve countries, with more currently in the pipeline, to push forward climate change action, capture and manage funding from international and national sources, and guarantee that all actions are mainstreamed into existing development strategies. These new institutions have been built in different forms with a diverse range of objectives, funding and governance strategies; but all provide experience and lessons for countries seeking to establish their own. This Policy Report provides background information on these NFEs to inform the negotiations. It is part of a series of ecbi and OIES publications on the Reformed Finance Mechanism, most specifically on the case for devolution of funding decisions to the national level.

## Unilateral Declaration: The Missing Legal Link in the Bali Action Plan

The legal format of the outcome of the current twin-track negotiations is one of the most pressing problems to be resolved in the run-up to the next UN climate change conference in Cancún, Mexico. This ecbi Policy Brief prepared by Benito Müller, Wouter Geldhof, and Tom Ruys puts forward a proposal of how an outcome could be made legally binding for all key Parties without having to introduce a new global treaty.

## Independent Evaluation

An evaluation was undertaken by Rod Janssen of Helio International, to provide feedback to ecbi management on results to date, critically take stock of achievements and challenges and, most importantly, to get an indication whether ecbi is having an effect on trust building amongst climate negotiators and if there is effective capacity building to support the negotiation process. The evaluation was undertaken half way through its current business plan 2008-2012.

Janssen also carried out the evaluation of the first phase of the ecbi in 2006-07. The evaluation consists of in-depth formal and informal discussions with arrange of participants, from Fellows to junior negotiators, from EU negotiators to donors, and from experts in climate change who have no specific contact with ecbi to resource people to ecbi. There were several discussions with the Director and other Programme Heads. There was a review of reports, Fellowship and workshop presentations, the website and its wealth of information. There was a review of many of the evaluation sheets prepared by various participants to ecbi events. There was direct contact by phone or email on specific questions to many people. The evaluation took part over four months and included the Oxford Fellowship, specifically the Oxford Seminar where EU negotiators and Fellows came together. This provides the opportunity to see some of the on-going activity and to get a good sense of how trust building was occurring.



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