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INFORMATION NOTE

from : General Secretariat

to : Delegations

Subject : United Nations Framework Convention on Climate Change (UNFCCC):

- 12th session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA)
- 14th session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP)
(Tianjin, 4-9 October 2010)
- = Compilation of EU statements

Please find attached for information the opening statements delivered by Belgium and the European Commission on behalf of the European Union and its Member States at abovementioned Ad Hoc Working Groups.

Albania, Bosnia and Herzegovina, Croatia, Iceland, the Former Yugoslav Republic of Macedonia and Serbia have associated themselves with these statements.

Ad hoc Working Group on Long-term Cooperative Action Under the Convention

Opening plenary on 4 October 2010

Madame Chair, distinguished colleagues, dear friends,

We would like to start by thanking the Chinese government and the people of Tianjin for their warm hospitality.

As the EU has repeatedly stated, the need to make progress towards establishing an ambitious post-2012 regime is becoming ever more urgent. Science tells us that the window of opportunity to keep the 2°C objective within reach, is rapidly closing.

Here in Tianjin, we find ourselves at the start of a week – the last 6 days of negotiations left before COP 16 - that will be very crucial in defining the prospects and the outcome for Cancún. It is important that Cancún can deliver a successful outcome. Climate change negotiations must live up to the expectations; or else this will dramatically impact the political and public credibility of the multilateral system to tackle climate change. For the EU, multilateralism, within the UN framework, remains the core of finding global solutions for global problems.

The EU's overall goal for Cancún is to make as much progress as possible towards an ambitious, comprehensive and legally binding outcome in line with the 2°C objective. By agreeing on a concrete set of decisions, Cancún could offer the global community the perspective it needs. What we as EU concretely expect from Cancún is a balanced set of decisions within and across both negotiating tracks. We think that significant progress is both necessary and achievable on the elements of the Bali Roadmap. Cancún should integrate the political guidance given in the Copenhagen Accord and put in place key institutional and architectural arrangements as well as contribute to immediate action on the ground. We should thus strive to capture progress to the maximum extent possible, outlining the framework and basic elements of the future of the climate change regime and define immediate and subsequent steps.

Fast start finance is crucial for preparing for the implementation of the new climate change agreement, and we reaffirm yet again that we will contribute 2.4 billion EUR annually over the period 2010-2012. It's important in this context to achieve a balanced allocation between adaptation and mitigation, including REDD+ and with a special emphasis on the most vulnerable developing countries, such as the LDCs, SIDS and Africa. After the preliminary report we presented in June, we will submit a comprehensive and transparent report on the implementation of our commitment by the Cancún climate conference and yearly thereafter.

Let me point out the EU priorities for a Cancún package of decisions. On mitigation, we need to anchor all countries' pledges, and set up a further process to clarify them, to mobilise support and to discuss options for strengthening the collective level of ambition. We need to establish the framework for the MRV system, based on existing provisions, and including ICA, and taking into account the different responsibilities and capabilities of developed and developing countries as well as the different nature of their commitments.

A balanced package should also include the operationalisation of the REDD+ Mechanism, address bunker fuel emissions and lay the foundations for the creation of new, scaled up market mechanisms.

We look also forward to the establishment of an Adaptation Framework, of the Technology Mechanism and their institutional arrangements. Capacity building is also important, but crosscutting by nature. On finance we need a decision regarding the establishment of the Copenhagen Green Climate Fund, the periodic overview of climate financing and a way forward on options for mobilising 100 billion USD of climate finance, as part of a balanced package.

At the end of our past session, we expressed our concern with the slow pace of the negotiations in the LCA track, as compared to the KP track. So as not to reduce the chances for success in Cancún, we need to speed up our preparations in earnest and we will need to see a much more dynamic negotiation mode here in Tianjin than we have seen at our earlier sessions.

Our expectation for the end of this session is to have a draft of a balanced set of decisions available for our further consideration. This means that we clearly have to distinguish between what is feasible to include for the different items in Cancún and what will need further work after Cancún. We will also have to identify those topics that will need particular political attention.

Madame Chair, we had a close look at your scenario note and we agree with your proposal to continue with the four drafting groups, but it is absolutely essential to use those groups to immediately launch spin-off groups that will have to come forward with their textual proposals for draft decisions. The suggestions you have made in the scenario note with regard to topics that need closer attention, are useful in this respect. Facilitators must be allowed to move forward the negotiations, including working with the text and making text proposals.

The time is clearly lacking to have yet another comprehensive reading of the text, where Parties simply add lengthy amendments repeating previous positions. We need to find a way of extracting from the negotiating text those elements that can realistically contribute to a meaningful and balanced outcome in Cancún. The balance is a matter for Parties to decide, but we trust on you and the incoming Mexican Presidency of COP.16 to find ways of facilitating such an exercise, efficiently, inclusively and transparently.

We think it would be a good idea to assess, at the latest on Wednesday, whether sufficient progress has been made at that point in time, so that we may adjust our way of working if need be.

Finally, I would like to say that as always, the EU stands ready to work with you and all the Parties to move this process forward, counts on you to firmly guide us towards our goal and to make this meeting a meaningful step towards the balanced package of decisions we need in Cancún. We hope to leave Tianjin at the end of this week with clarity on this package and on the key political options to be resolved.

Closing plenary on 9 October 2010

Madame Chair, distinguished colleagues, dear friends,

The EU's overall goal for Cancún is to make as much progress as possible towards an ambitious, comprehensive and legally binding outcome in line with the 2°C objective. By agreeing on a concrete package of decisions, Cancún should clearly contribute to this and give the international community the perspective it needs to restore trust in the multilateral approach to climate change. What we as EU concretely expect from Cancún is a balanced package of decisions within and across both negotiating tracks. We think that significant progress is both necessary and achievable on all the elements of the Bali Roadmap. During this session, the EU has spared no efforts in working with all Parties towards such a balanced package. We appreciate the efforts you have undertaken to pave our way forward and we thank our partners for the constructive dialogue. We encourage you to step up your efforts even further to help Parties find the middle ground.

At the end of this week, however, we cannot but feel that this session did not live up to our expectations in terms of progress and of striking the right balance. While our expectation was that we would now have a clear sense of the content of the decisions for each issue, progress was simply too limited for some of the topics that are crucial to achieving a balanced package.

In particular, we have not progressed enough on mitigation, MRV and market approaches. For the EU, these are essential elements of a balanced package for Cancún. We need to reflect all countries' pledges in the UNFCCC process, and initiate discussions to clarify them, to mobilise support and to consider options for strengthening the collective level of ambition which remains insufficient in light of our 2°C goal. Let me be clear that this is without prejudice to our ongoing discussions on further commitments under the Kyoto track. Nor does it mean that we would accept a pledge-and-review approach for Annex I Parties. On MRV, the EU seeks to set up a framework for enhanced MRV taking into account the different responsibilities and capabilities of developed and developing countries as well as the different nature of their commitments. On market approaches, although there was support from most Parties for progressing on this issue which is important for delivering results on mitigation, we are still seeking clarity in the text on key principles and to launch a work programme.

During our consultations, it became clear that many Parties are concerned that decisions on mitigation could move us away from the objective of a legally binding outcome in this respect. For the EU, I can say very affirmatively that we aim for no less than a legally binding outcome for the Convention track and we are encouraged that there is broad consensus from Parties and regional groups for this objective. The Cancún outcome will have to define next steps to reach this goal.

We achieved progress on the setting up of the Copenhagen Green Climate Fund. Constructive discussions also took place on the Adaptation Framework, the Technology Mechanism, Capacity Building and their institutional arrangements. This session also brought us closer to setting up the REDD+ Mechanism. But much remains to be done to complete the work in Cancún.

Throughout the session there was much emphasis on the importance of fast start finance. The EU clearly confirmed yet again that we are committed to contributing 2.4 billion EUR annually. We fully understand the need for transparency and in Cancún the EU will provide detailed information on the implementation of this commitment. We will continue to report on fast start finance thereafter.

Madame Chair, we can say that much remains to be done in building a package that is ambitious and balanced. Throughout this session, you have given us valuable guidance on how to move the components of the package forward when you presented us your list of elements extracting a balanced set of decisions from the current documentation. We strongly encourage you to continue to work proactively to take the negotiations forward.

We would also like to express our confidence in the incoming COP Presidency in undertaking efforts to facilitate our negotiations. We certainly count on the Mexican government to create a sound environment for a focused political discussion to resolve the main outstanding issues in Cancún.

Madame Chair, this session has proved that there is wide convergence on the need for a balanced package as a basis for a comprehensive ambitious legally binding outcome, but that views continue to diverge too widely on its content. There is still a lot of work ahead, Yet, we remain convinced such a package is within reach. The EU stands ready to engage in further consultations with all Parties in the run-up to Cancún.

Let me conclude by sincerely thanking our hosts for providing us with excellent facilities and the people of Tianjin for their very warm hospitality.

**Ad hoc Working Group on Further Commitments for Annex I parties
under the Kyoto Protocol**

Opening plenary on 4 October 2010

Mister Chair, distinguished colleagues, dear friends,

We would like to start by thanking the Chinese government and the people of Tianjin for their warm hospitality.

As the EU has repeatedly stated, the need to make progress towards establishing an ambitious post-2012 regime is becoming ever more urgent. Science tells us that the window of opportunity to keep the 2°C objective within reach, is rapidly closing.

Here in Tianjin, we find ourselves at the start of a week – the last 6 days of negotiations left before COP 16 - that will be very crucial in defining the prospects and the outcome for Cancún. It's important that Cancún can deliver a successful outcome. Climate change negotiations must live up to the expectations; or else this will dramatically impact the political and public credibility of the multilateral system to tackle climate change. For the EU, multilateralism, within the UN framework, remains the core of finding global solutions for global problems.

Mr Chair, let me reiterate yet again the importance the EU attaches to the Kyoto track in the overall negotiations. The EU is committed to make progress in both negotiating tracks towards a successful, balanced and concrete outcome at Cancún, as a constructive step towards a global, ambitious and comprehensive agreement in line with the 2°C objective.

Mr. Chair, while reiterating our preference for a single legally binding instrument that would include the essential elements of the Kyoto Protocol, we are flexible regarding the legal form as long as it is binding. We are therefore open to consider a second commitment period under the Kyoto Protocol, as part of a wider, more rigorous and ambitious agreement and provided that certain conditions, founded on the urgent need for environmental integrity and effectiveness of international action, are met. This would mean that Annex I countries that did not ratify the Kyoto Protocol and other major emitters take on their fair share of the global emission reduction effort in the context of an ambitious, legally binding global agreement. It would also mean that the environmental integrity of the Kyoto Protocol is addressed appropriately, in particular regarding LULUCF accounting and the carry over of Assigned Amount Units and that progress is made on the reform of existing market mechanisms and on the establishment of new ones.

Let me remind you again that the EU already has binding legislation in place which is based on the Kyoto Protocol architecture and provisions.

Mr. Chair, developed countries need to take the lead in reducing emissions and significant domestic mitigation potential is available in all Annex I countries at a reasonable cost. Delaying action will only lead to higher costs later. The EU continues to stand by its own commitment to a 30% emission reduction, made at the level of Heads of State and Government, as its contribution to a global and comprehensive agreement if other developed countries commit themselves to comparable emission reductions and if advanced developing countries contribute adequately and according to their responsibilities and respective capabilities.

It remains our position that, to keep the 2°C objective within reach, the emission reductions by developed countries in aggregate by 2020 should be in the order of 30% below 1990. The current level of ambition of pledges needs to be increased. Furthermore the uncertainties regarding future accounting rules may further undermine the effort that is needed. We need a clear rules based system so as to ensure that the numbers correspond with reduction levels that are clear to us all.

Within the Kyoto track, we think the challenge in front of us is to further streamline the present text and identify the political options on main outstanding issues. It is the EU's expectation to have a set of decisions that is balanced within and across both negotiation tracks.

The Cancún outcome in the Kyoto track should, in our view, include an appropriate solution for the surplus of Assigned Amount Units, decisions on the starting point and the duration of a future commitment period, a basis for new market mechanisms as well as the continuation of and improvements to the existing mechanisms. We recognise the progress of the previous session on LULUCF and should continue in this manner to achieve an agreement on accounting rules for forest management. Also, the scope of the Kyoto Protocol could be extended to other sectors and gases to improve its effectiveness and without weakening its environmental integrity.

Mr. Chair, we looked carefully at your scenario note. We support the idea of having joint sessions of the numbers group with other groups and to move towards a single contact group so as to achieve a better understanding of the interlinkages between the different items, while this should not prevent separate discussions on specific issues from moving forward.

Mr. Chair, I would like to stress the need to find ways to discuss together, both the mitigation pledges within the Kyoto track and other countries' pledges, whether made according to the Copenhagen Accord or otherwise in the context of UNFCCC. This could clarify how far we have advanced in achieving the 2°C goal.

Finally, I would like to say the EU stands ready to work with you and all the Parties to move this process significantly forward during the week to come and we counts on you, as always, to firmly guide us towards our goal and to make this meeting a meaningful step towards the balanced package of decisions we need to come out of Cancún. We are hopeful that we can leave Tianjin at the end of this week with clarity on this package and on the key political options to be resolved.

Closing plenary on 9 October 2010

Mister Chair, distinguished colleagues, dear friends,

The European Union has continuously expressed that we remain fully engaged in the Kyoto track and that we aim to make all the progress needed for a balanced package that would allow for a step towards a global comprehensive legally binding framework, in line with the 2° C objective. The EU has presented its views for a balanced package, within and across the two negotiating tracks and we are encouraged by the constructive dialogues we had with the other Parties on this package.

At this stage, we are open regarding the legal form of the outcome as long as it is binding. Ultimately, we would still prefer a single legally binding instrument that would include the essential elements of the Kyoto Protocol. However we are open to consider a second commitment period under the Kyoto Protocol, as part of a wider, more rigorous and ambitious framework and provided that certain conditions, founded on the urgent need for environmental integrity and effectiveness of international action, are met.

The EU has been participating actively and constructively in the AWG-KP and is keen to have a series of decisions come out of this process in Cancún and to pursue further work thereafter.

We are convinced that a positive and successful outcome in Cancún capturing progress in both tracks will be a vital step towards a legally binding result. During this session in Tianjin, we appreciated particularly that we were able to engage in a constructive dialogue on how to address the environmental integrity of the Protocol, including with regard to LULUCF and the surplus of AAUs. On LULUCF, we made good progress on the review of forest management reference levels as a way to promote environmental integrity. Also, the relation between numbers, mechanisms, LULUCF and accounting was further explored. However, we regret we have not been able to discuss all issues where progress is needed.

As we stated in Friday's informal plenary "consultations of the chair on a balanced package", our goal for Cancún is to make progress and achieve results on three broad topics: further commitments for Annex I Parties, the continuation of the KP architecture and deciding on next steps with a view to a legally binding outcome.

We maintain our position that emission reductions by developed countries in aggregate by 2020 should be in the order of 30% below 1990. Developed countries should continue to take the lead and therefore it will be necessary to enhance the pledges. The EU continues to stand by its own commitment to a 30% emission reduction as its contribution to a global and comprehensive agreement if other developed countries commit themselves to comparable emission reductions and if advanced developing countries contribute adequately and according to their responsibilities and respective capabilities.

We should reflect the current pledges in our negotiations. This, however, should definitely not be seen as a suggestion to consolidate the current unsatisfactory level of ambition.

Cancún needs to send a strong message to the world that we want to preserve and enhance the architecture of the Kyoto Protocol. We should confirm the use of common and robust accounting rules, including but not only for LULUCF. We should also confirm the continued use of the flexibility mechanisms and their improvement, in order to enhance their environmental effectiveness, their geographical distribution and their contribution to sustainable development. We should furthermore confirm the continuation of KP institutions. Let me reemphasise that it is important to ensure the environmental integrity of the Kyoto Protocol. Therefore, improvements to the KP rules are needed, especially with regard to LULUCF and the flexibility mechanisms. In addition, the issue of surplus of AAUs should be addressed in Cancún. Furthermore, we should set a basis for new market mechanisms. Lastly, the scope of the Kyoto Protocol could be extended to other sectors and gases to improve its effectiveness and without weakening its environmental integrity. That way we can avoid unnecessary uncertainties for policy makers, stakeholders, markets and our citizens in general, in line with our ambition to avoid a gap after the first commitment period of the KP.

Mr. Chair a lot of work remains to be done and we need to step up the momentum to be in a position to agree on a package of decisions by Cancún. We rely on you and the incoming presidency of COP/MOP6 to prepare the documentation we need to enable us to come to substantial outcomes within the Kyoto track. We encourage you and Mexico to actively pursue consultations with Parties in the run-up to Cancún. At Cancún, we need to refrain from procedural tactics, and immediately turn to a full discussion on the substance and to address the political options on outstanding issues.

It is essential that we agree, in Cancún, on a way forward to taking the final steps towards a legally binding outcome. The package we have outlined would ensure that we preserve the institutional architecture of the Kyoto Protocol and would engage us in a further discussion on stepping up the ambition level for Annex I KP Parties. But, Mr. Chair, we would like to point out again that even more ambitious commitments of Annex I Parties to the KP alone will not be enough. We need to progress towards a legally binding and balanced outcome in both tracks of our negotiations, with broad participation from Parties.

Let me conclude by sincerely thanking our hosts for the excellent facilities and the people of the Tianjin for their very warm hospitality.
