

# UNITED NATIONS DEVELOPMENT PROGRAMME

**Bureau for Development Policy  
Environment and Energy Group**



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

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

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

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

### **Rebuilding Momentum**

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

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

## **Fruitful, but Slow Discussions**

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

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

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

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

## **The Road to Durban Passes through Kyoto**

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

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

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

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

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

### **Upcoming meetings**

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

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

## Annex 1: Issue-by-Issue Analysis

### Mitigation for Developed Countries

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

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

## Mitigation for Developing Countries

Areas of Agreement	<ul style="list-style-type: none"> <li>• Developing countries will develop low emission development strategies that include Nationally-Appropriate Mitigation Actions (NAMAs)</li> <li>• Developed countries will provide financing, capacity building and technology for <i>some</i> NAMAs, although the means for which is unclear</li> <li>• Supported NAMAs will be internationally recorded in a NAMA registry, and their implementation monitored, reviewed, and verified (MRV)</li> <li>• Unsupported NAMAs will be subject to domestic MRV and reported through new, enhanced National Communications every four years. In addition, developing countries are required to submit biennial reports that include greenhouse gas inventories information on mitigation actions, needs and support received</li> <li>• A process of International Consultation and Analysis (ICA) will be developed for biennial reports</li> <li>• LDCs and SIDS will be exempt from undertaking <i>unsupported</i> NAMAs</li> </ul>
Remaining Disagreement	<ul style="list-style-type: none"> <li>• The specific definition, content, and requirements for NAMAs</li> <li>• The functions and structure of the NAMA registry</li> <li>• Scope and content of enhanced National Communications,</li> <li>• Content of biennial reporting: should reports only include unsupported NAMAs?</li> <li>• Facilitation of support for NAMAs</li> <li>• Guidelines for MRV for supported NAMAs</li> <li>• Process and guidelines for ICA – should it have both technical and public consultation components?</li> </ul>
Implications for Development	<ul style="list-style-type: none"> <li>• The main sources of global emissions are all closely linked to the MDGs (29% electricity and heat; 14% agriculture, 12% land use change and forestry)</li> <li>• Reducing emissions should be undertaken in the context of national priorities for poverty reduction and the MDGs. NAMAs must be developed in a way that effectively capture and follow these priorities.</li> <li>• NAMAs will require informed investment choices, national policies, and regulatory systems</li> </ul>

## Adaptation

Areas of Agreement	<ul style="list-style-type: none"> <li>• <b>Adaptation Framework</b> that includes support to adaptation planning, programmes and projects, vulnerability assessments, strengthening institutional capacities, disaster risk reduction, and knowledge and information</li> <li>• <b>Adaptation Committee</b> to promote the implementation of enhanced action on adaptation in a coherent manner</li> <li>• <b>National Adaptation Plans (NAPs)</b> for least developed countries and other developing countries to identify medium and long-term adaptation needs and implementing strategies to address those needs.<sup>2</sup></li> </ul>
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<sup>2</sup> NAPs are considered separate from National Adaptation Programmes of Action (NAPAs). While NAPs focus on medium and long-term adaptation needs, NAPAs focus on urgent and immediate adaptation actions.

	<ul style="list-style-type: none"> <li>Established <b>regional centres and networks</b>, as well as an international centre</li> <li><b>Linkages to funding mechanisms</b> of the UNFCCC, including the Green Climate Fund</li> </ul>
Remaining Disagreement	<ul style="list-style-type: none"> <li>Composition, modalities and procedures for the Adaptation Committee, including linkages to other institutions, NAPs, and the Green Climate Fund</li> <li>Key question remains on vulnerability – how to define which countries are the most vulnerable?</li> <li>Mechanisms and institutional arrangements of the Adaptation Framework</li> <li>NAP methodology – parties will organize an expert meeting on process of LDCs to develop and implement NAPs and on level of support for both developing countries and LDCs. (Submissions are invited by 15 August on the process and guidelines.)</li> <li>Work programme for loss and damage</li> </ul>
Implications for development	<ul style="list-style-type: none"> <li>Without effective adaptation, climate change threatens to undo decades of development. It is therefore critical to “climate proof” development assistance and strengthen the capacity of national institutions to incorporate adaptive capacity and building resilience into development and budget planning in an iterative manner</li> <li>With smart planning, adaptation now offers an opportunity to improve climate resilience through MDG achievement and poverty reduction.</li> </ul>

## Technology Development and Transfer

Areas of Agreement	<ul style="list-style-type: none"> <li>Establishment of a <b>Technology Mechanism</b> under the Convention. The mechanism will have three components: a <b>Technology Executive Committee (TEC)</b>; a <b>Climate Technology Centre</b> and a <b>Climate Technology Network (CTCN)</b>.</li> <li>In 2011, the CTCN will be designed, as well as the criteria for selecting the host of the CTCN.</li> <li>There is broad agreement that the host of the CTCN will be an existing institution. Parties agreed that there should be a sense of urgency to undertake requests for proposals for the CTCN.</li> <li>As yet, no organizations are making specific bids to act as host to the CTCN, however several organizations, including UNDP, were approached by the Chair of the Technology Group to discuss possible hosting roles.</li> </ul>
Remaining Disagreement	<ul style="list-style-type: none"> <li>The selection process and criteria for choosing a host for the CTCN, including criteria for selection and the role of the subsidiary body in the section.</li> <li>The functions the functions of the center and network (from the Cancun Agreements) and governance structure of the technology mechanism and the link to the Green Climate Fund.</li> <li>Many parties support a small, efficient and flexible host institution. Some countries also preferred an option that does not involve creating a new governing body, but in which the CTCN has a Director-General and a small team housed</li> </ul>

	<p>within an existing UN organization, with strategic guidance provided by the TEC.</p> <ul style="list-style-type: none"> <li>• The relationship to the financing mechanism of the UNFCCC.</li> <li>• Whether the CTCN will be thematic or international or regional.</li> <li>• The timeline the Chair has set out solicits proposals from interested parties by Durban. The analysis of the proposals would take place in March of next year, and the final decision in June. This is considered overly ambitious by some parties as the RFP still needs to be agreed.</li> </ul>
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## REDD in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+)

Areas of Agreement	<ul style="list-style-type: none"> <li>• Parties reached consensus on REDD+ as part of the Cancun Agreements, pledging to work toward defining the scope, elements, approach, scale and safeguards for REDD+, as well as the need to further define financing options and remaining methodological issues.</li> <li>• By COP 17, parties under the LCA are requested to explore financing options for the full implementation of REDD+ results-based actions. Parties agreed that public financing should play a greater role in the readiness phase, but that a basket of alternative financing options should be considered for the third phase.</li> <li>• By COP 17, parties under the SBSTA are requested to develop modalities relating to reference levels and forest monitoring systems; develop guidance relating to safeguards; and develop modalities for MRV anthropogenic forest-related emissions by sources and removals by sinks, forest carbon stocks and forest area changes resulting from the implementation of REDD + activities.</li> <li>• Parties agreed to work on definitions of forests, reference levels, and monitoring</li> </ul>
Remaining Disagreement	<ul style="list-style-type: none"> <li>• Role of the carbon markets on financing for REDD+</li> <li>• Scope of REDD+</li> <li>• Some argue that REDD+ is progressing too fast compared to other areas in the UNFCCC. Others state that REDD+ must keep urgently progressing</li> <li>• Developing countries will not want too detailed guidelines from SBSTA and stringent reporting requirements and this will be opposed by developed countries</li> </ul>
Implications for development	<ul style="list-style-type: none"> <li>• The critical link between forestry and livelihoods makes REDD+ a major opportunity to support development and poverty reduction efforts.</li> <li>• Financing available for REDD+ offers an opportunity for those who depend on forests to build more sustainable livelihoods.</li> <li>• For forested developing countries, REDD+ offers the primary opportunity to benefit from climate mitigation financing and catalyse the transformation toward low-emission, climate-resilient development.</li> </ul>

## Capacity Building

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

Areas of Agreement	<ul style="list-style-type: none"> <li>• Capacity building is a necessary element to any climate change agreement</li> <li>• Capacity building must be supported with technical and financial assistance</li> <li>• Reporting mechanisms for capacity building should be effective and not increase the burden on developing countries</li> </ul>
Remaining Disagreement	<ul style="list-style-type: none"> <li>• Whether to create a capacity building institution/expert group that provides coordination, as well as monitoring and reporting on capacity building activities</li> <li>• The use of performance indicators (and/or potentially reporting through the National Communications) for the review of capacity building in developing countries</li> <li>• The modalities for financial support for capacity building activities – whether one window/fund should provide support or whether capacity building should be mainstreamed into mitigation, adaptation windows/funds, etc.</li> <li>• The role of the private sector in capacity building</li> <li>• Modalities for monitoring and review</li> </ul>
Implications for Development	<ul style="list-style-type: none"> <li>• It is clear that an immense gap exists between the ambitions being discussed in the negotiating text and the actual capacity of countries to implement and access resources to finance actions to fight climate change and promote development. Capacity development is critical to ensure that developing countries—especially the most vulnerable—can make informed investment and technological decisions with respect to climate change.</li> </ul>



## Finance

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

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

## Green Climate Fund

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

The TC is arranged into four workstreams:

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

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

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

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

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

## Other Issues in the Subsidiary Body for Implementation

*As one of the two permanent Subsidiary Bodies under the UNFCCC, the Subsidiary Body for Implementation (SBI) gives advice to the COP on all matters concerning the implementation of the Convention. A particularly important task in this respect is to examine the information in the national communications and emission inventories submitted by Parties in order to assess the Convention's overall effectiveness.*

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

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

*As one of the two permanent Subsidiary Bodies under the UNFCCC, the Subsidiary Body for Scientific and Technical Advice (SBSTA) provides information on a number of technical issues related to the UNFCCC. Key tasks include promoting the development and transfer of environmentally-friendly technologies, conducting technical work to improve the guidelines for preparing national communications and emission inventories, and carrying out methodological work in specific areas, such as the land use, land use change and sector, and adaptation and vulnerability.*

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

Issue Updates	<ul style="list-style-type: none"><li>• On the <b>Nairobi Work Programme (NWP)</b>, most parties were satisfied with the current state of work and discussed the NWP's review, the provision of information to the SBI based on activities, and definition of activities for a future work programme. Parties will continue to discuss how the NWP relates to the Adaptation Committee. Parties also requested the UNFCCC Secretariat to undertake a survey on priority needs for products from the NWP, develop a technical paper on water and adaptation, and organize a joint SBSTA/SBI workshop to consider outcomes of the NWP.</li><li>• On <b>response measures</b>, parties agreed to hold a joint SBI/SBSTA forum where parties could share views on the scope and modalities of work. Parties agreed to hold another forum in Durban to continue the discussions. While some parties welcome the broad discussions, others stressed the need to streamline and balance the forum with existing discussions on response measures in the other negotiating tracks. Submissions on a work programme on response measures are invited by 19 September.</li><li>• Discussions on <b>aviation and maritime emissions</b> saw a division between developed and developing countries as to how the issue should move forward. Many developing countries urged the use of the principle of "common but differentiated responsibilities" and that any market mechanism may increase costs and affect trade. Developed countries supported an IMO/ICAO proposal to develop revenue streams for addressing climate change in these sectors.</li><li>• Negotiations on <b>common metrics to calculate the CO<sub>2</sub> equivalence of greenhouse gases</b> centred on a push by some developing countries to use a different global warming potential, while other parties supported existing IPCC methodologies.</li></ul>
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## Loss and Damage

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