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MATTERS RELATING TO ARRANGEMENTS FOR THE FINANCIAL
MECHANISM AND FOR TECHNICAL AND FINANCIAL SUPPORT
TO DEVELOPING COUNTRY PARTIES

IMPLEMENTATION OF ARTICLE 11 (FINANCIAL MECHANISM), PARAS. 1-4

Report on specific near-term priorities and needs of developing countries

Note by the interim secretariat

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I. INTRODUCTION

A. Committee mandate

1. In the course of its discussion on the policy guidance regarding programme priorities to be provided to the operating entity or entities of the financial mechanism, the Committee, at its eighth session, concluded that "priority should be given to the funding of agreed full costs (or agreed full incremental costs, as appropriate) incurred by developing country Parties in complying with their obligations under Article 12.1 and other relevant commitments under the Convention. In the initial period, emphasis should be placed on enabling activities undertaken by developing country Parties, such as planning, endogenous capacity building including institutional strengthening, training, research and education, that will facilitate implementation, in accordance with the Convention, of effective response measures" (A/AC.237/41, para. 84 (iii)).

2. This conclusion was reiterated by the Committee at its ninth session (A/AC.237/55, para. 80). Since there might be other specific near-term priorities and needs of developing countries which have not yet been identified or considered, the interim secretariat was asked by the Committee to request submissions from Governments and relevant international agencies on the subject and submit a report thereon to the Committee at its tenth session (A/AC.237/55, para. 81). Accordingly, a request for submissions was issued by the interim secretariat on 4 March 1994.

B. Scope of the note

3. This note refers to:

(a) Submissions received from Antigua and Barbuda, and from Trinidad and Tobago on behalf of the Association of Small Island States (AOSIS);

(b) Written statements provided by the delegations of France and the United States of America at the ninth session; and

(c) Responses received from the United Nations Economic and Social Commission for Asia and the Pacific (UN/ESCAP), the Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO) and United Nations Industrial Development Organization (UNIDO).

C. Possible action by the Committee

4. The Committee may wish to take account of the priorities and needs identified by the Governments and the United Nations system entities in its recommendations to the Conference of the Parties at its first session (COP 1) on the programme priorities to be provided to the operating entity or entities of the financial mechanism.

II. SUBMISSIONS

A. Submissions from Governments or groups thereof

5. In its submission, Antigua and Barbuda referred to the Programme of Action for the Sustainable Development of Small Island Developing States adopted at the Global Conference for the Sustainable Development of Small Island Developing States held at Bridgetown, Barbados, from 26 April to 6 May 1994. It called on the Committee to use the priority areas contained in that Programme of Action, notably chapters 1, 2, 3, 4, 7, 10, 11, 12, 13 and 14, as a basis for determining the needs of small island developing states.

6. In a submission by Trinidad and Tobago, on behalf of AOSIS, on adaptation, reference was made to Chapters 1 and 3 of the above-mentioned Programme of Action as providing the basis for identifying priority areas for the short and medium term.

7. The full texts of both submissions mentioned above have been reproduced in document A/AC.237/Misc.38. Copies of the Programme of Action will be available on request to delegations during the tenth session.

8. The submissions from France and the United States of America on priorities, presented during the ninth session of the Committee, have also been reproduced in document A/AC.237/Misc.38, at their request.

B. Summary of submissions from United Nations system entities

9. The information provided by UN/ESCAP, FAO, UNESCO and UNIDO addresses those priorities and specific areas of need which are related to their institutional mandates and have a bearing on climate change. Below are relevant extracts from the submissions on the priorities and needs of developing countries identified by the above-mentioned institutions.

10. The paper submitted by UN/ESCAP contains the report of the Consultative Meeting on the Development of a Regional Strategy on Climate Change held at Bangkok, Thailand, from 13 to 15 October 1993. That meeting considered issues relevant to the Convention, including the following topics:

- (a) Greenhouse gas emissions, inventories and reduction strategies;
- (b) Socio-economic aspects of climate change and climate variability;
- (c) Information exchange, education and training;
- (d) Regional strategies on climate change; and

(e) Cooperation and coordination: need for establishing an informal review and consultation process.

11. The meeting adopted as part of its report, an annex containing recommendations for a draft framework for a regional strategy on climate change for Asia and the Pacific and identified priority tasks to be addressed by UN/ESCAP. Considering the relevance of the recommendations to the current exercise being undertaken by the Committee to identify specific near-term priorities and needs of developing countries, the areas identified by the Consultative Committee for priority action by UN/ESCAP have been reproduced below with the hope that it would assist the Committee in its work.

12. Priority tasks to be addressed by UN/ESCAP:

(a) Development of regionally or nationally focused studies relating to climate change and associated environmental, social and economic issues, ensuring that these are appropriate for funding by donor agencies and countries on a bilateral or regional basis;

(b) Establishment of a regional network of experts and decision makers with expertise and responsibilities related to climate change and associated environmental issues, in order to facilitate the exchange of high-quality, relevant information on climate change and associated environmental, social and economic issues;

(c) Development of training programmes to assist countries and areas in the region in identifying and implementing, at the national level, the most appropriate and effective series of limitation, mitigation and adaptation strategies in response to the adverse socio-economic effects of climate change;

(d) Institutional strengthening at the regional and subregional levels, in order to establish centres of excellence that will:

- (i) Collate national data on such topics as: (a) greenhouse gas emissions; (b) tropical cyclone frequency, intensity and impact; (c) vulnerability of social and economic systems (including minority and disadvantaged groups) to climate and sea-level variability and change; (d) social and economic impact of climate and sea-level variability and change; and (e) evaluations of the effectiveness of limitation, mitigation and adaptation strategies related to climate change;
- (ii) Ensure that climate modelling activities and the preparation of climate change scenarios take into account regional needs and requirements, and that there is the capability, at both the national and regional levels, to interpret the results of climate modelling activities and to incorporate these in policy and other initiatives;

(e) Preparation of a regional synthesis of national inventories of greenhouse gas emissions and sinks and provision of a regional perspective on the effectiveness of limitation, enhancement, mitigation and other strategies that have been implemented at the national level in the region;

(f) Preparation of a regional synthesis of national studies of the vulnerability of social and economic systems (including minority and disadvantaged groups) to climate and sea-level variability and change and of the social and economic impact of climate and sea-level variability and change, and provision of a regional perspective on these two themes;

(g) Establishment of a project to produce a regularly updated overview of climate change impact in the region, leading to the identification of any unanticipated impact that requires regionally or internationally coordinated responses and, ultimately, to an evaluation of the effectiveness of limitation and adaptation strategies;

(h) Preparation of regionally based studies of the socio-economic impact of climate variability and change and of the appropriate response strategies for sectors that are critically sensitive to climate variability and change, such as water resources, energy, transport, fisheries, forestry and agriculture.

13. The strategy is to be implemented in three phases:

(a) The immediate task is for the Commission to assist countries in the region in addressing urgent needs relating to greenhouse gas emission inventories, climate change impact assessments and development of response strategies. This will involve raising public awareness and training of senior decision makers;

(b) The near-term task entails the identification of ongoing needs at the national level and the development of a regional strategy for addressing them;

(c) The longer-term task calls for capacity building at the national and subregional levels.

14. The submission from FAO has identified the following priority area. One of the urgent needs of developing countries is for them to prepare an inventory of changes in land cover and the intensity of land use on a geo-referenced basis. This is because the emissions of greenhouse gases in most developing countries are from rural land-use related sources. Available databases on land use are often of a broad, national-level statistical nature only. Reliable estimates on greenhouse gas emissions and uptake have to be based on more precise within-country geo-referencing of the various forms of land use: degree of deforestation and regrowth, frequency and extent of savanna burning, drainage of wetlands, intensity of animal husbandry, the type of crop production and farming systems (type of crop and crop sequences, number of months per year with actual growth,

intensity of inputs such as fuel, fertilizers and labour). Countries that do have such information use different criteria not only for classification (making regional comparisons difficult) but also in relation to greenhouse gas emissions. FAO recognizes these shortcomings and intends to support national efforts in developing countries by improving their geo-referenced databases on land cover and land use and the national capabilities to monitor relevant changes over the years.

15. Accompanying the submission was a proposal for the development of an international classification system and national to global databases on actual land uses which is expected to attract eventual joint financing from the financial mechanism of the Convention.

16. The submission from UNESCO draws attention to the following priority areas:

(a) Preparation of response strategies and adaptation for possible sea-level rise and increase of frequency of extreme events, as well as establishment of national capacity to use warning systems;

(b) Assessment of the impact of climatic scenarios on the hydrological cycle, and need to assess current processes connected with terrestrial-atmospheric interactions, especially the surface water hydrology for inputs into atmospheric general circulation models.

17. According to the submission from UNIDO, regional workshops organized by UNEP and other sponsors of country studies of greenhouse gas inventories in Africa, Eastern Europe and South America have revealed the following needs:

(a) A need to establish networks in the regions to enable experts to exchange information on greenhouse gas emission inventories;

(b) A need for countries in the regions to develop data which are more specific to their country or region;

(c) A need to continue training experts in the region who will be working on inventories;

(d) An urgent need for capacity building in greenhouse gas inventories in these countries and regions.

18. The UNIDO submission also referred to its capacity to assist in meeting the above-mentioned priority needs. In this context, it refers to a number of areas of activity, including:

(a) Assistance to Parties to meet their obligations through building in-country skills to generate and maintain greenhouse gases inventories. In addition, the inventory data generated will facilitate accurate identification of the contribution of industrial activity to total national and regional greenhouse gas emissions. It will also help in subsequent efforts to prioritize technical mitigation options;

(b) The extensive experience of UNIDO in assisting developing-country industries improve the efficiency with which they generate and use energy would make it appropriate for them to access and prioritize technical mitigation options while assisting developing countries to undertake inventories.

19. The focus of such an exercise would be on direct emissions from industrial and commercial combustion processes (boilers, furnaces, heaters and kilns) and on chemical transformation processes, transport and emissions arising from the use of solvents, as well as on fugitive emissions from industrial and commercial processes. Secondary energy consumers (such as motors using electrical power) responsible for emissions elsewhere (that is, from generating plants) will also be identified for the purpose of energy conservation and efficiency.

20. The potential for each of the following options will need to be determined:

- Increased combustion efficiency (where combustion plant employed)
- Fuel switching (lower carbon/hydrogen (C/H) ratio, renewables)
- Increased efficiency in energy use (power, steam and heat)
- Minimizing greenhouse gas emissions through improved systems and management techniques with current plant

21. Technical mitigation options should be prioritized based on:

- Current national energy-pricing policy
- Availability of technology (new plant and retrofitting)
- Total greenhouse gas emission reductions achievable assuming wide-scale deployment of the selected options
- Extent to which the selected options would employ indigenous technology development and manufacturing capability
- Cost/benefit analysis (engineering abatement cost model approach)

III. CONCLUSIONS

22. The above submissions have certain elements in common and these can be summarized as follows:

(a) Enhancement of the capabilities of national institutions and experts to assess the impact of climate change on economic, social and ecological systems and to prepare response strategies to adapt to or avoid such impacts;

(b) Preparation of national inventories of greenhouse gas emissions by sources and removals by sinks;

(c) Development, collection and dissemination of country-specific data relevant to climate change;

(d) Networks for the exchange of information among experts at the national, regional and global levels.

23. These conclusions are consistent with those agreed upon by the Committee at its eighth session, cited in paragraph 1, above.

24. In addition to the submissions received by the interim secretariat and presented in this note, the attention of the Committee is also drawn to the programme outlined in document A/AC.237/75 which places strong emphasis on capacity building and is consistent with the priorities and needs identified by the Committee.

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