

The CEC attended a UNFCCC stakeholders briefing conducted by the Department of Climate Change and Energy Efficiency on 7 May 2010 in Canberra. The following topics were discussedⁱ:

1. Major dialogues for the Australian Government engagement: UNFCCC, MEF (and other ministerial forums, such as Petersburg), Copenhagen Accord and bilateral dialogues (notably China, India, South Africa, Pacific region)
2. Summary of outcomes from COP15:
 - manifestation of political will demonstrated in the Accord, reflecting the 19 difficult points of negotiations and providing guidelines to these issues
 - 70 countries submitted their pledges; Australia made that suggestions in September 2009
 - 107 countries representing 75% of world's emissions have indicated their expected emissions reductions
 - 154 new climate change projects have been announced globally
3. Bonn I. in March 2010 was largely a process-oriented meeting, laying out the workplan for 2010
4. Bonn II. 31 May - 11 June 2010
 - will proceed within the two established tracks
 - AWG-LCA:
 - the starting point of this year's negotiations will be established,
 - it may be the Accord, however there are a number of parties that oppose
 - first formal opportunity to comment on developing countries' pledges, incl. China
 - AWG-KP:
 - Australia is drafting a version of the legal text, however agreement on emissions reductions and on timing of second commitment period (5 years? 8 years?) is unclear
 - The group will look at what the 2020 pledges mean in the 5-year period
 - SBI:
 - Robert Owen-Jones is the Chairman
 - the group will focus on review of the climate change fund, of the adaptation fund and of the reporting periods
5. Financing: focus is shifting towards the long-term issues; discussions will surround not only the fast-track funds of \$30bn over the next three years, but mainly the \$100bn/year by 2020
 - pressure will be rising for donor countries to pull the financing together in order to maintain credibility
6. High-level Climate Change Panel - a separate body that operates outside the UNFCCC and feeds into the UNFCCC process
 - the body will examine i.a. how to drive financing
 - Bob McMullan is the only Australian representative on this panel (he will be attending in his own capacity, not as PS for International Affairs)
7. COP16 and lead-up to COP16
 - a finance week will be held mid May 2010 in Cancun, which will feed into Bonn II. late May/ June
 - the meeting will address the question of what proportion of the funds will come from the public sector, as it is not feasible to secure \$100bn from the private sector only
 - the meeting will run with the endorsement of the High-level Climate Change Panel
 - COP16 is not expected to deliver a legally-binding agreement

- if COP17 should deliver an agreement, significant progress will need to be made at COP16
- COP16 is not likely to see a leaders' style meeting as in Copenhagen
- progress will need to be made on methodology and carbon accounting (new gasses may be included in the next commitment period)

8. CDM and advanced market mechanisms

- it is still unclear whether CDM will continue beyond 2012
- from the Kyoto Protocol negotiations the notion is to continue, however there are many issues linked to the process and without certainty on these issues, it is difficult to lock in a decision on CDM
- the negotiations are working through the political issues surrounding introduction of new market mechanism as some countries are opposed

9. General comments

- China feels fully bruised which may help in the future, have been very exposed to international reporting and are considering how to deal with the negotiations in the future
- COP16 is not expected to attract as many people, however, registration process may be more restrictive than in Copenhagen
- venue for COP16 has been selected (not yet announced)

ⁱ The text constitutes observation notes by the CEC only. This is not a document released by the Government.