

they put specific priority on elaboration of the CDM and suggested that JI and IET could wait. This was unacceptable to the Umbrella Group and most of the EU countries, which prefer that all three mechanisms proceed to decision together. After fractious and lengthy negotiations, only a long list of issues could be agreed. And while a specific program of work was developed, the earliest that any decisions can be taken is at COP-6 in the autumn of 2000.

Impact of Single Projects

At Kyoto, Iceland had asked that consideration be given to countries with low emissions whose inventory would be affected by a single large industrial project. However, their proposal would essentially exempt process emissions related to the project from inclusion in the national inventory for the first commitment period. The EU and Canada expressed reservations given the precedent that would be set. For Canada, the issue had economic resonance -- it might give an unfair trade advantage to Iceland's aluminum industry. In the end, a decision was made to postpone any further consideration of the issue to COP-5.

Land-Use, Land-Use Change And Forestry (Sinks)

The main unfinished business from Kyoto was agreement on the definitions of terms -- namely afforestation, deforestation and reforestation -- and the inclusion of other activities that can act as sinks, specifically those related to agricultural practices. A special report will be prepared by the IPCC in time for an anticipated final decision at COP-6 in the year 2000. Until then, expert workshops will increase the level of expertise and comfort with the methodological issues. The Canadian delegation played a lead role in securing this outcome.

Technology Transfer

The transfer of technologies is identified as an obligation of the Annex I Parties under Article 4 of the FCCC and Article 10 of the Kyoto Protocol. The Canadian position was similar to that of most other developed countries in that the private sector was to be the main delivery instrument for this obligation. Developing countries at the meetings reminded parties that their clear preference was for free or low cost best available technology delivered by government authorities. The agreement on text reached at COP-4 provides greater clarity and structure for the role governments will play in the transfer of technology and establishes a consultative process in advance of COP-5.

Summary

That such a modest outcome took up such extended negotiations suggests two important realities -- first, the high political stakes attached to the climate change file; and second, the significant differences that still exist on key issues and which Kyoto and Buenos Aires have largely papered over. The reality is that broad international agreement on the key elements of an international action plan on climate change is still several years away.