August.

IMPACT OF SINGLE PROJECTS ON EMISSIONS IN SMALL ECONOMIES: Iceland is the sponsor of this item, which would enable small economies (representing less than .05% of 1990 Annex I emissions) essentially to exempt chemical process emissions from projects using clean or renewable energy and Best Environmental Practice. The proposal also qualifies that Parties may only use this provision if single projects cause a party to exceed its assigned amount. US and Australia expressed sympathy for Iceland's situation. Developing countries viewed this provision as a potential "loophole" to the Kyoto Protocol. Canada did not intervene on this item.

CONVENTION ISSUES

CO-OPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS: On this agenda item parties approved a conclusion which invited the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) to report their relevant work to the SBSTA. Parties also invited the IPCC to take into account comments made by Parties on the structure and content of the Third Assessment Report. The conclusion urged Parties to reverse the declining funding to observational networks of the climate system. Furthermore, the conclusion noted the role of UNEP as set out in the UNGASS statement to develop coherent interlinkages among conventions and invited UNEP to provide inputs to the CoP. Finally, Parties noted that the IPCC will provide the Convention process with scientific, technical and economic advice - including the use of economic instruments - as well as on matters relevant to related conventions like the Montreal Protocol, CBD, and CCD.

NATIONAL COMMUNICATIONS FROM PARTIES INCLUDED IN ANNEX I OF THE CONVENTION: Canada's objectives were to secure a process for the revision of the UNFCCC guidelines for the preparation of national communications and to support the secretariat's proposal regarding the scheduling of third and subsequent national communications. These objectives were reflected in two plenary interventions which emphasized Canada's support for the year 2001 as the milestone for the 3rd National Communication and recommended that the Secretariat initiate the revision process by preparing a list of problems and difficulties with the current UNFCCC guidelines based on the experience of indepth reviews and the views received from Parties. This latter intervention was particularly successful as delegates agreed to have the secretariat survey Parties by August 31, 1998 for their views, taking into account the information required under Article 7 of the Kyoto Protocol, and organize a workshop on the same subject in 1999. It was concluded that the outputs of these undertakings, in the form of proposed clarifications, additions and/or amendments to the UNFCCC guidelines, would be submitted to CoP 5. As for the scheduling of the third and subsequent communications, delegates agreed to have parties submit their views