

Subsidiary Body for Implementation (SBI)  
Eighth Session  
Bonn, 2-12 June

Item 7 of the Provisional Agenda

**CANADIAN DRAFT INTERVENTION ON THE REVIEW OF ARTICLE 4.8 AND 4.9  
OF THE CONVENTION  
(IMPACTS ON OIL EXPORTERS AND VULNERABLE COUNTRIES)**

Canada recognizes the importance of climate change adaptation efforts in vulnerable regions of the globe. We realize that efforts to reduce vulnerability of developing countries from the adverse effects of climate change are, in some cases, pressing.

We believe that this issue has been reflected in the Convention, which includes a provision for the transfer of technology to developing countries, and in the Protocol in the provision for a clean development mechanism. Canada will continue to work, including through the clean development mechanism, towards increasing access of developing countries to climate-friendly technologies to help them adapt.

Canada notes the proposition made by Samoa (on behalf of the Alliance of Small Island States), in the Secretariat's document FCCC/SB/1998/MISC.1, to include adaptation fees for JI and international emissions trading.

That said, Canada rather supports the provisions, under Article 12 of the Protocol, whereby a portion of the administrative fee for CDM projects be used to fund adaptation projects. This should provide an adequate basis for funding support to affected developing countries. Progress in the context of the CDM discussions are important to ensure that projects can start in 2000, which would also ensure an early start for adaptation projects. We look forward to working closely with those of our partners that are particularly affected on the potential use of such fees.

Canada would ask like to acknowledge the adaptation work done by the IPCC, which may contribute to reducing the vulnerability of countries to the adverse effects of climate change.

**(If a study is proposed)**

As an oil-exporting country, Canada is sympathetic to the challenges faced by countries heavily dependent on this sector. In this regard, Canada supports studies on the potential for fossil fuel-dependent economies to diversify their economic bases. These studies may be useful in helping such economies adjust to a different global energy economy that will result from our collective efforts to address climate change.

**(If compensation raised -- reactive only)**