

commitments, without having to assume Annex I status or other Annex I obligations. G-77 countries refused to have this issue even discussed, and after prolonged initial debate the Argentine COP President agreed to have it struck from the agenda simply to allow the conference to proceed. She simultaneously announced that she would conduct informal consultations on this issue and subsequently held consultations separately with interested Annex I countries and non-Annex I countries. Her efforts to bring together both sets of countries failed, however, these consultations will be pursued over the course of the coming year. In the meantime concrete announcements by Argentina to announce voluntary commitments by COP 5, and by Kazakhstan to join Annex I, were positive developments, along with an increased number of national communications by non Annex I countries. Turkey also presented a new national communication, which can be used as the basis of a commitment; Turkey's status as an Annex I country will be revisited at COP 5.

15. Review of commitments: The COP considered the second review of adequacy of commitments. The first review had resulted in the Berlin Mandate and the Kyoto Protocol. While the commitments referenced by the review are those of Annex I countries, the scope of the review includes ways to achieve the ultimate objectives of the convention. This was used as a basis for Annex I Parties to argue that a process to include Non-Annex I (developing countries) should be part of the mix over time. Discussions chaired jointly by Canada and Zimbabwe were extremely difficult, political, and ultimately inconclusive with G-77 maintaining a common front in opposition. No conclusions or decisions were reached, potentially allowing this issue to be revisited at the next or a future COP, hopefully once dynamics have improved and possibly in conjunction with discussions on a path for voluntary commitments.

16. **Global Environment Facility (GEF):** At the outset of discussions, the financial mechanism was not expected to be a controversial item on the Cop4 agenda, but ironically negotiations ended up turning on this issue. Negotiations concentrated on providing additional guidance to the GEF on funding specific climate change activities, including: funding for implementation adaptation measures for stage II adaptation activities in particularly vulnerable countries and regions, identification and of priority technology needs, studies leading to the preparation of national programmes, developing or strengthening national activities for public awareness and education on climate change and response measures, and a series of capacity-building measures, all of which were incorporated into the decision. In addition, the GEF was also encouraged to further streamline its project cycle, further simplify and expedite its approval procedures and clarify the process for determining incremental costs. On the longstanding issue of the status of the GEF as the Convention's financial mechanism, the final compromise reached re-states the status quo of the GEF as an entity entrusted with the operation of the financial