

targets. They even dusted off their pre-Kyoto preference for reductions based on a per-capita emissions entitlement argument. In short, the EU and the G-77 frustrated progress on the flexibility mechanisms by denying the outcomes of COP-3 or by trying to re-write the Kyoto Protocol. The G-77 linked all items. If developed countries in one Contact Group (government only in small drafting teams) appeared to be stonewalling the G-77 agenda, the G-77 would provide the same treatment in the Contact Group where the subject matter was priority for developed countries.

The difficult position of the US became even more apparent as the second week wore on. Given that it agreed in Kyoto to a reduction target requiring considerable effort to achieve and has linked its ability to achieve its target to the flexibility mechanisms, EIT is the dominant priority. It seemed for a while that Parties would make special efforts to deny the US any progress in fleshing out the flexibility mechanisms. This of course places the US negotiators in an uncomfortable position vis-a-vis congressional staffers who now regularly attend the negotiations and know that without the full array of flexibility mechanisms, the US Senate will be unlikely to ratify the Protocol.

Canadian objectives for this round of meetings were worked out in the immediate post-Kyoto period and were guided in part by a number of meetings involving ministers and officials of the JUSSCANNZ (non-EU OECD countries) group of countries. A new alliance emerged from Kyoto and includes the US, Canada, Norway, Australia, New Zealand, Iceland and Russia, hereafter known as the Umbrella Group (Article 4 of the Protocol). When the members of the Umbrella Group arrived in Bonn for the meetings, they had already worked out the stance they would take vis- -vis the EU and the G-77 plus China. The clash of alliances played out in protracted debate in all contact groups and it is safe to assume that alliances will also play out at COP-4.

#### **Land Use Change and Forestry (LUCF)**

The issue of sinks was debated at length during the two weeks and only made progress in the last few days of the session thanks largely to the efforts of a strong Canadian team. Representatives from Environment Canada, Forestry Canada and Agriculture Canada were on hand for the Bonn session and greatly influenced the information base negotiators had to make decisions. After making a presentation on the science related to soils, Canada became to be seen as a credible source of information. The EU had arranged to have scientists address the soils issue from a world-wide perspective and the presentation corroborated the Canadian information. Added to this was data from the US. The mood in the contact group changed from being sceptical to one of confidence.