

time were very keen on getting the guidelines approved at COP 2 in order for the GEF to use them as a guide in providing funding for national communications. In the end, the guidelines developed by the contact group were adopted without amendment. These guidelines include 1994 as the base year, and the use of IPCC methodology and format for reporting data, to the extent possible. The guidelines also encourage developing countries to include information on mitigation activities and 1990 as base year, subject to data availability. Guidelines also link clearly the preparation of national communications to the availability of GEF funding. The review process for the consideration of national communications from non annex 1 parties will have to be considered soon. The agreement on this issue represents an important step in engaging developing countries more actively in the implementation of the Convention.

27. Activities Implemented Jointly (AIJ): The Secretariat introduced an annual review of progress. Most developed countries, including Canada, supported many of the work plan items proposed over the next year, including workshops, compilations of information and development of a simple, consistent reporting format. The U.S.A. offered to host a workshop on methodologies. The G 77 noted the need to better distinguish between AIJ projects and JI projects implemented by Annex 1 Parties, the importance of technology transfer and concern over too many resources of the Convention going to AIJ-related work. They also had considerable concern that projects under AIJ should not reduce existing GEF and aid budgets. There was some confusion among many Parties, enhanced by language in the Secretariat text, that the pilot phase was presumed to end in 2000 (COP 5) and no sooner. The COP 1 decision, in fact, calls for an annual review by each COP and a final decision by 2000 at the latest.

28. The contact group on AIJ, including Canada, worked fairly cooperatively and reached both a draft SBSTA conclusion and draft CoP recommendation in only a few hours of discussion. Both Brazil and Venezuela appear to be trying diligently to block progress on this file. In the end, SBSTA adopted the contact group proposal without amendment. It includes a significant portion of the proposed work plan including: a roundtable at SBSTA #4; integration of AIJ information in Convention database; and a Secretariat update on projects reported by Parties for SBSTA #4. The Secretariat will also be preparing a paper, based on Party submissions by September 1, on uniform reporting format and list of methodological issues to input into the SBSTA #4 roundtable. CoP 2 reaffirmed the CoP 1 decision whereby each CoP is to review progress of the pilot phase on AIJ and then decide whether it should continue or not. It then decided to continue the pilot phase, supporting continued work by the subsidiary bodies on this item.

29. Technology transfer: The themes surrounding the development and transfer of technologies were familiar. The importance was acknowledged by all, although the Annex II Parties (OECD countries) preferred action by the private sector while non-Annex II Parties (Economies in Transition and developing countries) were mildly indifferent to the transfer route, provided the transfer came with financial