ENGO COP-4 DELEGATION REPORT

Negotiators entered COP-4 with limited expectations about what could be accomplished. It was only by extending the negotiating session into "overtime", however, that negotiators were able to produce these minimal accomplishments. While the establishment of a Buenos Aires 'action plan' is an important step in the elaboration of the Kyoto Protocol, it is clear that the work required to implement the Protocol will only begin after Buenos Aires.

In fact, the most significant announcements made at COP-4 were independent of the negotiating process. Specifically, the decisions by Argentina and Kazakhstan to adopt greenhouse gas emission mitigation commitments were a positive step forward. Like all elements of the Kyoto Protocol, however, the environmental implications of these decisions will only be clear when they are more clearly defined and elaborated.

For example, Argentina is keen to voluntarily adopt a target so that it can participate in emissions trading under the Kyoto Protocol. This target, however, will not reduce greenhouse gas emissions below current levels, but will simply limit future emissions growth to a specific level. If the target is set too high (i.e., above what Argentina's emissions would actually be), we will have added 'tropical hot air' to the Kyoto Protocol because Annex B countries would be able to purchase emission reductions from Argentina even though no actual emission reductions had occurred.

While Russian 'hot air' is a more significant problem that Argentina's 'hot air', the target established by Argentina will set an important precedent for all developing countries. As a result, Canada should make it a priority to think about mechanisms that would allow 'voluntary' commitments to be seriously assessed and reviewed before they are permitted under the UNFCCC.

The whole question of the review of the adequacy of existing commitments under the UNFCCC represented the biggest failure at COP-4. Despite significant efforts by many delegations, including Canada, it proved impossible to produce a COP decision or workplan on this issue. One of the strengths of the UNFCCC process is the requirement that commitments be periodically reviewed to determine their effectiveness in meeting the objective of the UNFCCC. In this way, a finding that existing commitments are inadequate can spur negotiations on new and strengthened commitments.

It is clear that even the commitments outlined in the Kyoto Protocol are inadequate to meet the objective of the UNFCCC. As a result, Canada should make it a priority to add the following elements to the Buenos Aires 'action plan', for completion at COP-6:

- SBSTA should be required to identify the issues and factors relevant to a definition of what constitutes "dangerous" anthropogenic interference with the climate (this is required to determine what level of commitments ultimately will be required and only governments can do this),
- The Subsidiary Bodies should be required to outline and assess different models for the allocation of global emissions (this issue will need to be addressed in some way if some key developing countries are to adopt future emission reduction obligations).

By doing this preparatory work for COP-6, negotiators will have laid the groundwork for future negotiations on new commitments under the UNFCCC that could be launched immediately after the release of the IPCC's Third Assessment Report in 2000/2001.

One of Canada's key objectives in Buenos Aires was to ensure that a workplan and timetable was established for elaborating the Kyoto mechanisms (emissions trading, joint implementation, and the Clean Development Mechanism). This objective was accomplished, but the work is only beginning. Canada will now have to elaborate specific proposals that address key issues such as:

- Rules ensuring that the CDM is a credible, effective mechanism. To ensure credibility it is essential that certified emission reductions represent emission reductions that would not have occurred in the absence of the CDM. This can best be accomplished by initially limiting the CDM to projects which