

### Opening Session

1. Mr. James Shevlin, Branch Head, International Strategies, International and Strategies Branch, AGO, delivered the welcome address. He outlined the objectives of the 14<sup>th</sup> Seminar as learning from the experiences of others; increasing understanding of the practical and policy challenges faced by other countries; exchanging information and ideas on possible solutions; and enhancing practical cooperation in the region. Furthermore, he introduced the efforts made by Australia in responding to climate change issues, both domestically and internationally. Mr. Kazuhiko Takemoto, Deputy Director-General, Global Environmental Bureau, MOEJ also gave an opening address. Referring to Japan's continuous efforts to promote international cooperation to address climate change, he stated that the Seminar would contribute to further development of relevant policies in the region and also that he hoped it would contribute to the COP10 to be held in Buenos Aires in December 2004 by providing insights and practical output from the region through informal and frank discussion.

2. Ms. Wanna Tanunchaiwatana, Manager, Transfer of Technology, Sustainable Development Programme, UNFCCC, provided information on the current updates of international dialogues, especially under the framework of the UNFCCC. She expressed her hope that the Seminar would contribute to the promotion of international cooperation by providing an opportunity for information exchange, mutual capacity development and confidence building among the policy makers in the region. Mr. Kohji Iwakami, Economic Affairs Officer, UNESCAP, in his speech praised the significant achievements made through the joint efforts of the organizers, governments and other stakeholders in the region. He expressed UNESCAP's strong wish to continuously support organizing the Seminar as a promoter of regional cooperation in the climate change field.

3. Mr. Osamu Mizuno, Director, Office of International Strategies on Climate Change, Global Environmental Bureau, MOEJ, introduced Japan's efforts to address climate change issues. They included domestic policies (Step-by-Step Approach, the 1<sup>st</sup> Check and Review of the Climate Change Policy Programme, etc.), international policy (CDM/JI, adaptation and other cooperation), and future action beyond 2012. In this Seminar, the Interim Report of the Central Environmental Council was distributed to

the participants.

**I. Updates on Efforts to Address Climate Change in the Asia-Pacific Region**

4. Mr. Kazuhiko Takemoto, MOEJ, as the chairperson of Session I, overviewed the structure of proposed discussion. He suggested that the Session's discussion should serve as a general guide for the specific discussion themes in the following session.

5. Mr. Ahmad Jan Malik, Section Officer, Ministry of Environment, Pakistan, delivered a speech on the Implementation of the UN Framework Convention on Climate Change in Pakistan, with key initiatives including the elaboration of a National Communication to the UNFCCC, Fuel Efficiency Project, Commercialization of Wind Power Potential, and adherence to the Kyoto Protocol. In the interaction with other participants, he identified low level of awareness as the largest barrier, since the climate change issue was a new concept in Pakistan.

6. Ms. Catherine Leining, Senior Operator, Price-Based Measures Team, New Zealand Climate Change Office, New Zealand, presented keys elements of New Zealand's climate policy package (announced in October 2002) including the implementation of a carbon charge no earlier than 2007; negotiated greenhouse agreements that provide an exemption from the charge for eligible companies in return for world's best practice in GHG emissions management; retention by the Government of sink credits and liabilities; issuance of tradable units for projects to reduce emissions; issuance of tradable units for permanent forest sinks; partnerships with local government; assistance to small- and medium-sized enterprises; voluntary agreements on synthetic gases; industry/government research in the agriculture sector; and a public awareness campaign. This framework is further supported by a number of foundation policies in other sectors, such as energy, transportation, and waste. New Zealand also engages in partnerships with other countries to work on a broad range of climate change issues.

7. Mr. Taito Tableka Nakalevu, Climate Change Adaptation Officer, SPREP, provided updated information on the efforts on climate change in the Pacific sub-region. In cooperation with donor countries and international agencies, SPREP has conducted activities to strengthen the capacity of member countries/communities to cope with

climate change in the context of sustainable development. In this connection, he introduced a plan to organize a sub-regional workshop on adaptation issues, jointly with the Institute for Global Environmental Strategies (IGES) in October 2004.

## **II. Lessons Learned on Approaches to Climate Change Capacity Building in the Asia-Pacific Region**

8. Mr. Peter Repinski, Project Officer, United Nations Environment Programme (UNEP) introduced the “Greenhouse Gas Emission Reduction from Industry in Asia and the Pacific” (GERIAP) project that encourages industry to take action and reduce GHG emissions as well as costs by improving its energy efficiency. This hands-on capacity building UNEP project applies a Cleaner Production (CP) methodology, focusing on energy efficiency measures within four energy-intensive industry sectors within nine Asian countries. He stressed the importance of understanding what the barriers are for *actual implementation* and *how to overcome* these.

9. Ms. Misa Andriamihaja, Climate Change Officer, United Nations Development Programme (UNDP), Samoa, explained activities carried out by her office in the Pacific Island countries. The activities include strengthening of adaptive capacity via UNDP/GEF Small Grants Programme. According to her, strong emphasis was put on partnership, collaboration, and exchange of experience in the dimension of project formulation and implementation, with a view that these efforts would continue to contribute to community members in a sustainable way.

10. Dr. Graeme Pearman, Scientific Planning Member, Chair, Capacity Building Committee, APN CAPaBLE Program, The Asia-Pacific Network on Global Change Research (APN), introduced activities under the Capacity Building and Enhancement for Sustainable Development (CAPaBLE) Programme. Through the phased programme, CAPaBLE expects to enhance the capacity of leading researchers in Asia-Pacific developing countries to produce comprehensive scientific results on climate change impacts, adaptation to vulnerabilities and mitigation strategies. Also, in his discussion about the study on coastal zones, as a focus area of APN’s activities, the Global Change Coastal Zone Management Synthesis project was introduced, which would foster global changes in the region and strengthen links between the science community and policy makers through such outputs as science books and management documents.

11. Mr. Dadmin Dagvadorj, Director, Administration and International Cooperation Division, National Agency for Meteorological Agency, Mongolia, shared information on Mongolia's perspective on capacity building activities. Supported by international and bilateral donors, Mongolia plans to strengthen the national agenda on climate change issues, create a sustainable institutional process, enhance technical and institutional capacity for conducting climate change studies and develop a national legislative framework. Under these objectives, activities include technical needs assessment in the energy sector, public awareness and education, and enhancement of national capacities to prepare the national communication.

12. Mr. Syamphone Sengchandala, Deputy Director, Environment Impact Assessment Division, Science Technology and Environment Agency (STEA), Lao PDR, explained the capacity building activities in Laos. Under the initiative of the STEA, several activities were conducted, including the establishment of the National GHG Inventory Committee and Technical Working Group, and introduction of a legal framework. He pointed out that the next step in Laos would be to carry out the National Adaptation Plan of Action, to undertake the National Capacity Self Assessment on the three Rio Conventions, and to develop rules and procedures for CDM approval, etc.

13. Ms. Lyubov Anatolievna Inyutina, Senior Expert on Policy & Measures in Climate Change, Climate Change Coordination Centre, Kazakhstan, provided information on a series of activities in her country and its institutional framework. Since there is much left to be done in the energy aspect, she pointed out that capacity building in the CDM/JI area would be of importance, and owing to various activities supported by donors in this respect, positive developments had been noticeable.

### **III.-(1) Small Group Discussion for Clean Development Mechanism (CDM) and Joint Implementation (JI)**

14. Mr. Yuji Mizuno, Manager/Senior Consultant, Global Environment Research Department, Pacific Consultants Co., Ltd., delivered his speech focusing on the methodologies and their approval by the CDM Executive Board. In summarizing the current trends of the CDM project, he pointed out the importance of establishing

projects in the renewable energy field, taking into consideration their positive impacts on sustainable development. In this regard, he urged stakeholders to provide an enabling environment for such projects, including the reduction of transaction costs, and policy support both from Annex I and non-Annex I countries, among others.

15. Mr. Martijn Wilder, Partner & Head Global Climate Change Practice, Baker & McKenzie, provided the current updates of the carbon markets. He reported that driven by Kyoto Compliance, the volume of credits traded has been rapidly growing. He also provided information on the factors affecting the carbon price, which included the creditworthiness of the seller, the ability of the seller to deliver, sovereign risks, structure of the transaction, allocation risks, and others.

16. Mr. Hoan Mahn Hoa, Senior Expert and Researcher on Climate Change, National Office for Climate Change and Ozone Protection, Viet Nam, presented the main Clean Development Mechanism (CDM) activities carried out in Viet Nam. He focused on the establishment, functions, and tasks of the CDM National Authority and CDM National Consultative and Executive Board in Viet Nam. He also provided information related to the situation in Viet Nam, CDM project criteria, some CDM potential projects as well as upcoming CDM activities in Viet Nam.

17. Ms. Lyubov Anatolievna Inyutina, Kazakhstan, explained institutional arrangements in Kazakhstan, including its host country approval procedure and a proposed Kazakhstan Carbon Fund. Drawing on the example of the CDM Project with Japan, she reiterated Kazakhstan's willingness to expand and sophisticate its CDM/JI activities.

18. Mr. Martijn Wilder, Baker & McKenzie, delivered a presentation on the CDM in the legal context, and provided information in detail along with the procedural flow to realize a CDM project. Among several issues, attention was given to the issue of window of opportunity and project timeline, which were relevant both to project developers and to host country governments inviting CDM investments. Also, his information included key contractual issues, which were quite important from a practical perspective.

19. Mr. N. Yuvaraj Dinesh Babu, Area Convener, The Energy and Resources Institute (TERI), India, presented on the perspective of the CDM project developer. He briefed on the current global carbon market and CDM projects portfolio, followed by

India's role in ratifying Kyoto Protocol. He described the host country approval process for CDM projects and the National Strategy Study on CDM. He then detailed the CDM project development background in India outlining various criteria involved in CDM project identification, selection, and development. He went on to provide a review of the stakeholders' concerns in developing CDM projects in India. Finally, he summarized the key factors essential for creating an enabling environment for CDM in India.

20. Mr. Shinichi Iioka, Program Manager, CDM Program IGES, delivered a presentation on the activities under the Integrated Capacity Strengthening for CDM/JI (ICS-CDM/JI). In his speech, the framework, components and countries covered (China, Cambodia, India, Indonesia, Philippines, Russian Federation) were explained, and he proposed a plan to publish a CDM Investors' Guide in the future. Mr. Kunihiro Ueno, Assistant Manager, Global Environmental Centre Foundation, Japan, provided practical information on its experience through the "CDM/JI Feasibility Study Scheme" and "Model Project for Preliminary Practice of Validation" funded by the MOEJ. He contributed the Implementation Manual for CDM/JI-FS and PDD, which would provide guidance for project developers. Mr. Makoto Kato, Researcher, OECC, highlighted the importance of information support services to CDM/JI stakeholders for investing and to host countries. To fill the information gap hindering the smooth course of project activities, he introduced a unique effort made under the framework of the Kyoto Mechanism Information Platform, which provides Japanese stakeholders with basic information (decision by the CDM Executive Board, host country approval criteria/procedure) and host country stakeholders with information on Japan's policy as well as a channel to properly convey public information to Japanese investors.

### **III.-(2) Small Group Discussion for the Global Environment Facility (GEF)**

21. Dr. Nandita Mongia, Team Leader and Regional Coordinator for Climate Change, UNDP-GEF, provided an overview on the GEF Supported Climate Change Initiatives. Her presentation encouraged participants to further utilize the GEF programme, which might help their national situation if they encountered financial or technical difficulties in implementing efforts to address climate change. It provided a significant platform for the ensuing discussion.

22. Mr. Peniamina Doug-Alii Leavai, Seminar Climate Change Officer & Project Coordinator, Ministry of Natural Resources and Environment, Samoa, delivered a presentation on a case study of Samoa under the Pacific Island Climate Change Assistance Programme (PICCAP). As a result of PICCAP, Samoa was able to demonstrate an increased number of climate change programmes, extensive public and community awareness, and various key documents including its first GHG Inventory, the initial National Communication, etc.

23. Mr. Alan De Gala, Regional Director, Department of Environment, Philippines, introduced the Philippine experience from the Asia Least-Cost Greenhouse Gas Abatement Strategy (ALGAS). Through the achievements under this initiative, the Philippines was highly mobilized to drive the domestic action movement forward, which would lead to the next steps including CDM project development, institutionalization of GHG inventory, National Capacity Self-Assessment, etc.

24. Ms. Petely Niuatui, Assistant Coordinator, NAPA, Department of Environment, Tuvalu, presented its experience in project development from the GEF fund for adaptation programmes. Mr. Bhadur Karki, Secretary, Ministry of Population and Environment, Nepal, mentioned the country's experience in climate change issues, including the development of the National Action Plan for Adaptation, through the GEF fund. Mr. Khieu Muth, Secretary of State, Ministry of Environment, Cambodia, introduced its experience to formulate a National Adaptation Programme of Action. Being of LDC status, he mentioned that it would be important to take a realistically achievable and country-driven programme of action and to prioritize activities addressing urgent and immediate needs.

### **III. International Cooperation For Adaptation Strategies**

25. Mr. Rizaldi Boer, Head of Climate Laboratory, Bogor Agricultural University, Indonesia, provided the experiences and lessons learned from the Climate Field School Programme in Indonesia. The programme is intended to increase farmers' knowledge and capability to use climate forecast information to anticipate extreme climate events. In the long term, the programme could be used as a means to communicate and disseminate climate information to farmers and to increase their capability in using climate information for adapting to climate variability and climate change, and also to

increase their participation in climate change mitigation programmes.

26. Ms. Wanna Tanunchaiwatana, UNFCCC, outlined the past and ongoing discussion on adaptation in the Subsidiary Bodies (SBs). Under the guidance of Article 4.8 and 4.9, as well as COP decisions, several efforts have been initiated, such as LDC work programmes, LDC Expert Group (LEG) and inclusion of vulnerability and adaptation strategies in National Communications of Annex I and Non-Annex I parties. As anticipated scenarios, she highlighted streamlining adaptation-related activities, an agreed package of adaptation activities under 5/CP.7, possible further guidance to the GEF, and the outcome from SBSTA following the second workshop on adaptation.

27. Mr. Andrea Volentras, Climate Change Coordinator, SPREP, introduced the Climate Roundtable on the Pacific Island Regional Framework for Action on Climate Change, Climate Variability and Sea Level Rise. In efforts to improve the adaptive capacity of Pacific Island Countries (PICs), this initiative has made significant progress such as in data collection, enhanced prediction capacity and maintenance of operational systems, and improved public awareness. He added that such developments were thanks to the high level support by donor countries and agencies (i.e. GEF) and called for continued attention by them.

28. Dr. Ancha Arinivasan, Principal Researcher and Manager, Climate Policy Project, IGES, delivered a presentation on facilitating proactive adaptation to climate change at the local and community level, and its policy implications. Proactive Micro Adaptation (PMA), which improves coping capacity of communities and local governments in developing countries, and practical experience from this initiative drew substantial attention from participants. In this connection, he emphasized that it was especially important to consider the needs and priorities of local communities, local/indigenous knowledge, linkage with national adaptation policies and community development, and harmonization with international, national and climate change policies.

#### **IV. Cooperative Approaches to Science and Technology in the Asia-Pacific Region**

29. Mr. Kohji Iwakami, UNESCAP, provided several viewpoints for the discussion on the cooperative approach to science and technology in the region. He pointed out that it was a challenge to determine how to address the climate change issue based on scientific facts, while there was a general consensus on climate change. Also, he stressed that although some useful technologies were available, it would be necessary to develop policy measures to utilize them in implementing mitigation options. In addressing the cooperative approach, he suggested collaborative research in science and technology, joint technology development and capacity development, and North-South and South-South cooperation.

30. Mr. Keith Baker, Assistant Manager, Renewable Energy Technologies Team, AGO, introduced the efforts to promote application of renewable technologies in Australia, including commercialization, deployment and industry development. Amongst the several programmes mentioned in his speech, the “Bushlight Project,” which assists off-grid electrification in indigenous communities, drew special attention from participants since it may provide a potential for application in other countries in the region.

31. Mr. Trigg Talley, Deputy-Director, Office of Global Change, Department of State, United States, outlined US climate change efforts. He elaborated on the three components of US climate change policy: slowing the growth of net greenhouse gas emissions; laying the groundwork for current and future action; and international cooperation. He described several significant international technology efforts, including the Carbon Sequestration Leadership Forum and the International Partnership for the Hydrogen Economy. He also described the Asian Regional Workshop on Climate Change and Energy held in March 2004, as a useful effort to bring climate officials together with energy officials in the Asian region.

32. Mr. Simon Jailan, Assistant Director, Communication Division, Malaysian Meteorological Services, Malaysia discussed the challenges and opportunities of information and communications technologies (ICT) and climate change in Malaysia. He stressed that while the application ICT may contribute to increased adaptation capacity of developing countries, it may also lead to the use of more electricity. Dr. Graeme Pearman, APN made an additional presentation regarding the science and

technology efforts being made in Australia. He stressed that these efforts should be integrated in national and local policies.

33. Mr. Taka Hiraishi, as the Chairperson of the Session, summarized the key points of the discussion. He introduced the correlation among the three major areas (science, technology, and policy formulation) and actions in the respective field. In addition, he mentioned that there were several important stakeholders and suggested that there be collaboration among them. Reviewing the fairly broad range of the session's discussion, he hoped that future discussion may, based on the elements of the present discussion, be elaborated in a focused manner.

## **VI. Lessons Learned for the Future – Moving Forward on Practical Climate Change Cooperation**

34. Dr. Hidefumi Imura, Professor, Nagoya University, made a presentation on Integrating GHG mitigation in local environmental management in Asian cities. Taking the example of four mega-cities, namely Tokyo, Seoul, Beijing, and Shanghai, he reported recent developments in policy response of local governments, and identified urgent needs and future possibilities of GHG mitigation in the integrated management approach. Mr. Hu Tao, Chief Economist, Policy Research Center for Environment and Economy, State Environmental Protection Agency (SEPA), China, mentioned that the co-benefit approach to the issues would have quite a significant policy implication on China. He predicted that it would be recognized as a higher priority of SEPA, and if integrated with the existing control measures, such as the total emission control (TEC) for industries, GHG mitigation would be further encouraged. Mr. Kong Chiu, International Program Specialist, Climate Change Division, US Environmental Protection (USEPA), in line with the two previous speakers, explained USEPA's efforts through the Integrated Environmental Strategies (IES) Program. Emphasizing the effectiveness of co-benefits of climate change efforts and air quality management, he demonstrated quite a high level of support and participation by various countries, and ongoing activities, including a model case in Beijing, China.

35. Mr. Peniamina Doug-Alii Leavai, Samoa, introduced Samoa's domestic effort in establishing a network covering communities in the country preparing for adaptation. According to him, several challenges and constraints had been recognized, the

experience of which might be useful to other countries in the region when replicated with necessary modification and increased availability of funds. Mr. Wayne Wescott, Chief Executive Officer, International Council for Local Environmental Initiatives (ICLEI), made a presentation on international and Australia/New Zealand's network of local governments under the Cities for Climate Protection campaign. While most climate change-related efforts are initiated by the central government, ICLEI's programme endeavors to involve local governments, which are in many cases close to consumers and GHG emitters. Mr. Makoto Kato, OECC, presented the Asia-Pacific Network on Climate Change, which was newly reorganized recently. He emphasized that this electronic network might better serve in organizing the Asia-Pacific Seminar, and function as an information exchange and dissemination vehicle in the region. Other participants expressed their support to provide contents material to be disseminated through the Network. It was also pointed out that if inter-linkages between these different networks were established, they might better function in synergy.