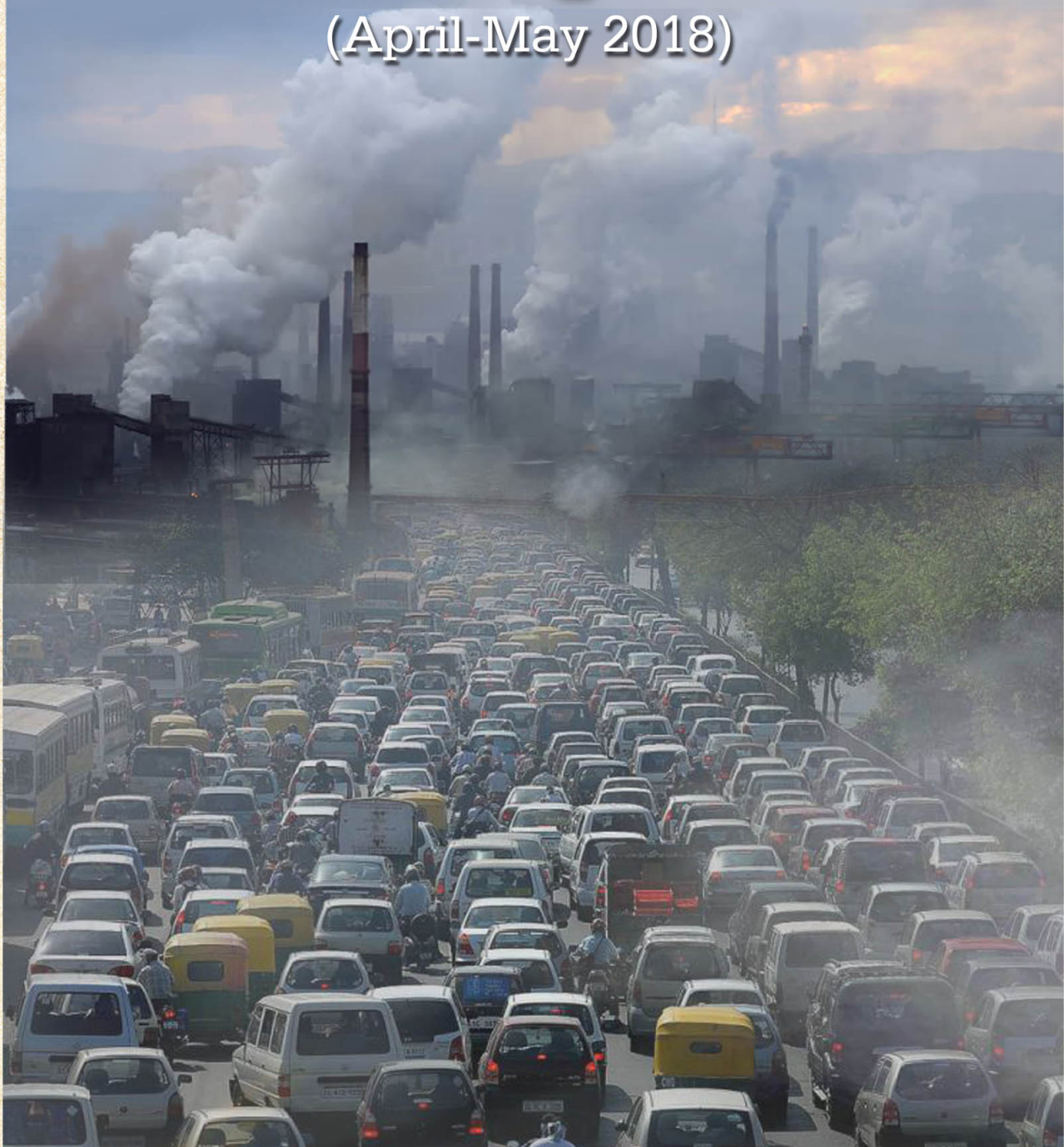


Third World Network **Bonn Climate News Updates**

(April-May 2018)



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BONN CLIMATE NEWS UPDATES
(April-May 2018)

TWN

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NOTE

This is a collection of 18 articles prepared by the Third World Network for and during the recent United Nations Climate Change Talks – the forty-eighth sessions of the Subsidiary Body for Implementation (SBI 48) and the Subsidiary Body for Scientific and Technological Advice (SBSTA 48) as well as the fifth part of the first session of the Ad Hoc Working Group on the Paris Agreement (APA 1-5) – in Bonn, Germany from 30 April to 10 May 2018.

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30 April 2018

What to Expect at the Bonn Climate Talks

Bonn, 30 April (Meena Raman)

Introduction

THE intersession climate talks under the UN Framework Convention on Climate Change (UNFCCC) will kick-start in Bonn, Germany, from 30 April to 10 May. The two-week session will witness the convening of the meetings of the forty-eighth session of the Subsidiary Body for Scientific and Technological Advice (SBSTA 48), the forty-eighth session of the Subsidiary Body for Implementation (SBI 48) and the fifth part of the first session of the Ad Hoc Working Group on the Paris Agreement (APA 1.5).

A key focus of the three bodies will be in making progress related to the completion of tasks concerning the implementation of the Paris Agreement (PA), known as the Paris Agreement Work Programme (PAWP). Various decisions regarding the modalities, procedures and guidelines necessary for the implementation of the PA are expected to be adopted later this year in December, in Katowice, Poland by the Conference of Parties meeting as the Parties to the PA (CMA), which will also see the convening of the twenty-fourth session of the UNFCCC Conference of Parties (COP 24).

At COP 23 last year, the groundwork was laid for what will be intense and difficult negotiations on the PAWP this year on the road to COP 24. At the heart of the matter is how developed and developing countries view the PA. While Parties from both sides of the divide say that the PA must not be reinterpreted when developing the 'rules' for its implementation, there is no common understanding on how the PA must be viewed and operationalised.

What has clearly emerged in the last two years since the adoption of the PA are differences in interpreting what are nationally determined contributions (NDCs) (whether they are only about mitigation or if they also cover adaptation and the means

of implementation) and therefore, the information that is required to be communicated flowing from the components of the NDCs.

Another big difference is how the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC) is operationalised in the details for the PA implementation. While some developing countries take a firm view that the operational details must differentiate between developed and developing countries, developed countries are generally of the view that the rules for implementation should be common, with flexibilities for developing countries provided for those who need it.

How and in what way differentiation between developed and developing countries is treated will continue to be the subject of much wrangling in this year's negotiations.

Hence, the battle over the interpretation of the PA will continue this year and how it resolves will be watched very closely.

Progress in the PAWP – transition from 'informal notes' towards negotiating text

A major task and challenge at the current Bonn session of the APA is for Parties to agree on steps towards the preparation of a draft negotiating text for the various issues under the PAWP.

In the conclusions adopted under the APA in November last year, progress was noted with the production of 'informal notes' prepared by co-facilitators under their own responsibility, which were annexed to the conclusions.

The informal notes, which are about 266 pages in length, cover the six agenda items of the APA: nationally determined contributions (NDCs), adaptation communications, transparency of action and support, global stocktake, committee to facilitate compliance and matters related to the implementa-

tion of the PA. These informal notes contain the positions of all Parties on the various issues and will form the basis of further work at the current session.

The PAWP includes not only the work of Parties under the APA, but also some issues which are handled by the SBI, the SBSTA and the COP, especially in relation to issues related to finance, technology transfer and capacity-building. In this regard, the APA reiterated last year the ‘...recognition of the need to progress on all items in a coherent and balanced manner, and to ensure a coordinated approach to the consideration of matters relating to the PAWP by the SBI, the SBSTA and the COP’.

In a ‘reflections note’ issued by the APA co-chairs on 10 April this year, the co-chairs (who are from Saudi Arabia and New Zealand) state that ‘...given the breadth and complexity of the topics being addressed, we need to significantly increase the pace of work. For that, another transition is needed now: from the identified substantive points/elements to **full textual narratives for the proposals and options** on the table... To complete the work on time, we need to collectively produce an agreed basis for negotiations that Parties could work on, through iterations, up to the end of the APA’s allotted time at COP 24... Our clear aim is the delivery of operational guidance on all issues, with the necessary level of granularity to ensure the Paris Agreement can function.’ (Emphasis added.)

Given the ‘breadth and complexity’ and the linkages between the various issues and the work across the bodies, ensuring balanced and even progress on all the issues will prove to be a major challenge for Parties.

To compound matters, developed and developing countries do have divergent interests on which issues are important for them, where progress is needed, and also as to what constitutes the PAWP package of decisions to be adopted at the first session of the CMA (known as CMA1).

Developed countries are especially interested in work related to the mitigation component of NDCs, the transparency framework dealing primarily with the mitigation aspects of the framework and matters under Article 6 of the PA relating to ‘co-operative approaches’ including what some countries see as ‘market-mechanisms’.

Developing countries, on the other hand, want to see more progress on issues relating to the means of implementation (viz. finance and technology transfer) necessary for mitigation and adaptation actions. Also important to them is the full scope of NDCs, which not only includes mitigation but also covers adaptation and the means of implementation.

While developing countries are expected to stress the importance of a single package of decisions at COP 24 which is balanced on all the issues of the PA implementation, developed countries are likely to emphasise that there is no need for a single package approach but for decisions to be ready for adoption according to their level of maturity in the process, leading to the early harvest of some issues.

This wrangling of a single package approach versus some early harvest of decisions can be expected to surface at the Bonn talks.

Finance issues expected to be problematic

At COP 23 last year, the issues which proved to be most contentious between developed and developing countries were over what should be in the PAWP especially for CMA1 related to the finance issues. The United States in particular was opposed to the finance issues in the PAWP.

Even though the US notified Parties that it does not intend to remain in the PA, it remains a Party until it legally withdraws from the Agreement in November 2020. Last year, at COP 23, the US was opposed to the reflection of some issues as part of the PAWP which included ‘modalities for biennially communicating information on the provision of public financial resources to developing countries’ under Article 9.5 of the PA and the launch of a process for the setting of a new collective quantified goal on finance from a floor of US\$100 billion per year, which is to be agreed to by 2025.

The US view is shared by other developed countries, including the European Union.

The US was of the view that there was no need to include these matters in the PAWP for CMA 1. Developing countries on the other hand wanted these issues to be included, as for them, they are integral to the implementation of the PA.

Sources said that the US disagreed with developing countries and maintained that there was no clarity that these additional matters were part of the PAWP or that they needed to be addressed at CMA 1. After lengthy deliberations, the final decision adopted at COP 23 was only possible with the addition of a footnote in the decision which reflected that there was no consensus on the matters to be addressed under the PAWP and therefore, the footnote read as follows: ‘*Different views are expressed by Parties on whether possible additional matters should be added to the work programme under the PA for the first session of the CMA, ...*’

Hence, what issues constitute additional matters to be addressed at CMA 1 can be expected to

resurface at the current session in Bonn under the APA.

Given the divergent contentions, complexities and the need to address these challenges between the April/May and December sessions, it can be expected that there will be calls from several Parties to have an additional session to enable Parties to make progress on all the elements of the PAWP.

Some key issues to watch out for in Bonn

- ***The Article 9.5 issue***

As pointed out earlier, the issue of addressing modalities for the provision of ex-ante information by developed countries on public financial resources to be provided to developing countries under Article 9.5 of the PA was a major contentious issue at COP 23.

Article 9.5 essentially provides that *developed countries 'shall biennially communicate indicative quantitative and qualitative information' related to the provision and mobilisation of financial resources 'including as available, projected levels of public financial resources' to be provided to developing countries.*

South Africa on behalf the African Group was the first to raise the point that Parties need to begin to discuss the modalities for communicating the information that is required under Article 9.5. In a formal submission at the COP on how to operationalise Article 9.5, the African Group called for the establishment of a process under the APA to define the modalities for biennially communicating information on the provision of public financial resources.

The African Group proposal was supported by the G77 and China but there was strong resistance from developed countries including the EU and the Umbrella Group including the US. The G77 and China fought very hard for the issue to be addressed and stated repeatedly that ex ante information on public financial resources from developed countries to be provided to developing countries would help the latter plan and implement their NDCs.

Developed countries were opposed to discussing the 'modalities' for the provision of the information, arguing that there was already an existing agenda item under the COP that deals with the '*process to identify the information to be provided by Parties in accordance with Article 9.5 of the PA*'.

Developing countries on the other hand argued that the nature of the discussions under the COP is fundamentally different as it deals only with 'process' to identify the information and does not address the issue of the 'modalities' for that informa-

tion which needs to be addressed by the APA. According to sources, the word 'modalities' was a red line for the EU.

Given the divergence of views, following intense informal consultations, compromise reached on the issue was that the issue of the 'process' to identify the information (which was previously handled by the COP which only meets once a year) would now be handled by the SBI for its consideration at the 2018 April/May session, while under the APA, deliberations will continue on the issue of the 'modalities' for that information under its agenda.

How the Article 9.5 issue will play out at the current session of the talks will be keenly watched.

- ***Fight over the Adaptation Fund***

Developed and developing countries are divided over the future and nature of the Adaptation Fund (AF) under the PA. The AF is currently under the Kyoto Protocol.

The G77 and China wants the AF to remain in its current form in terms of its operational policies and guidelines, for developing countries to access the Fund when it serves the PA. Developed countries on the other hand want to change the nature of the AF from what it is at present, if the AF is to serve the PA. This divergence of views was visible from the inputs provided by the G77 and China and the developed countries during the APA session on the issue.

The EU in its inputs said that 'the current composition of the Board has worked well' but 'potential revision of the composition depends on outcome of preparatory work, for instance sources and levels of funding'. It also proposes that Parties have to 'decide to what extent the previous guidance to AF ..., including those agreed before adoption of the PA, shall apply *mutatis mutandis* to the AF when it serves the PA'.

In the inputs provided by Australia, Canada, Japan, New Zealand and the US on 'governance and institutional arrangements', among the proposals made was that 'the AF enjoys appropriate legal personality to enable a new or revised relationship with the interim trustee, the Fund's secretariat, and any other contractual arrangement', and on the operating modalities, 'eligibility is restricted to Parties to the PA from the date the Fund begins to serve the PA', and 'prioritisation (is) given to Parties that are particularly vulnerable – especially Small Island Development States and Least Developed Countries'.

Given the proposals of developed countries, developing countries were concerned that the nature

of the AF as they know it could change when it serves the PA.

In the final decision adopted last year by the Conference of Parties meeting as the Parties to the KP (CMP), one part of the decision notes ‘the progress of the APA in undertaking the necessary preparatory work to address governance and institutional arrangements, safeguards and operating modalities for the AF to serve the PA, including sources of funding, to be defined by Parties, and looks forward to the recommendations thereon from the APA in 2018’.

Hence, the work of the APA in relation to the AF in 2018 is bound to be difficult and contentious, as Parties attempt to bridge the current divergence of positions as regards the AF serving the PA.

• *The 2018 facilitative dialogue – Talanoa Dialogue*

In Paris in 2015, Parties had agreed to ‘convene a facilitative dialogue ...in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to ...in the Agreement and to inform the preparation of NDCs...’.

At COP 23, the Fijian Presidency stressed the importance of the dialogue and referred to it as the ‘Talanoa Dialogue’, to reflect the ‘Pacific spirit’ of sharing stories. The dialogue was touted by the Presidency and some countries particularly from the island states as a very important event to ‘ratchet up’ the NDCs of Parties under the PA.

Several developing country delegations had raised concerns about the mandate for the dialogue. Their view was that when the decision was taken in Paris in 2015 to convene a 2018 dialogue to inform the preparations of the NDCs, no one had expected the PA to take effect so soon in November 2016. According to these sources, the Paris mandate obviously was to inform the preparations of the first NDCs to be communicated, prior to the ratification by countries of the PA, which was expected to happen after 2018.

Since Parties who ratified the PA had already communicated their NDCs well before 2018, some developing countries felt that the mandate for the dialogue was rendered futile and there was no further mandate to review or ratchet up the first NDCs that Parties had already forwarded to the UNFCCC.

In addition, some were of the view that ‘any pressure’ on them to ramp up their NDCs with no indication of any financial support would not be fair to them. Moreover, they were concerned that developed countries were not showing real leadership by

enhancing their mitigation ambition in the pre-2020 time frame, and have failed to close the mitigation gap, thus shifting the responsibility onto developing countries to do so.

Hence, there was much discomfort among some Parties on the strong focus of the Presidency on the design of the 2018 dialogue and the intention behind this effort. Since the design of the dialogue was not negotiated, how it was to be reflected in the COP 23 decision became a bone of contention. Some Parties especially the small island states wanted to ‘endorse’ the COP Presidency’s informal note on the dialogue while other countries did not want to do so since it was not a negotiated document.

The informal note provided details about the features and design of the dialogue. The dialogue, said the note, will be ‘structured around three general topics: where are we; where do we want to go and how do we get there’. It consists of a preparatory and a political phase, with the COP 23 President and the COP 24 President (Poland) providing a summary of key messages from roundtables to be held in 2018. The note further states that ‘it will be important to send clear forward looking signals to ensure that the outcome of the dialogue is greater confidence, courage and enhanced ambition’.

During COP23, the Fijian Presidency had further consultations with Parties on the dialogue. Sources said that apart from the disagreements on how to reflect the informal note in the decision to be adopted, there were also differences of view on the design elements of the dialogue around the involvement of expert institutions, the involvement of the Presidencies, and the outcome of the dialogue itself.

The US and New Zealand could not endorse the informal note as it ‘was not negotiated by Parties’ and was only a proposal of the Presidencies. The EU said it could accept the design ‘in the spirit of compromise’. The Like-minded Developing Countries (LMDC) were of the view that the dialogue should be a Party-driven process and that the reports of the dialogue should not be left to the Presidencies. They also had concerns about the involvement of ‘expert institutions’.

After further consultations, Parties agreed to only ‘welcome with appreciation’ the design of the dialogue and not to endorse the informal note. The decision also stated that the dialogue will start in January 2018.

At the current Bonn session, the first part of the Talanoa Dialogue will take place, with an opening meeting taking place on 2 May. It can be expected Parties will continue to have concerns over the report and outcomes of the dialogue, given that

the process is being driven by the COP Presidency, rather than by the Parties.

• ***The Suva Expert Dialogue related to the International Mechanism on Loss and Damage***

Last year at COP 23, developing countries, led by Cuba, representing the G77 and China, together with the Alliance for Small Island States, pushed hard for a permanent agenda item under the Subsidiary Bodies to ensure discussions on the Warsaw International Mechanism on Loss and Damage (WIM) take place intersessionally, so that the WIM can be effective in helping developing countries impacted by climate change. Developed countries strongly resisted the call by developing countries for a permanent agenda item on the WIM at the intersessional meetings of the Subsidiary Bodies.

Following intense negotiations, as a compromise, agreement was reached to have an expert dialogue to explore a wide range of information at the current session of the Subsidiary Bodies, that also requires the secretariat to prepare a report from that dialogue.

According to the decision adopted last year, the UNFCCC Secretariat, under the guidance of the Executive Committee of the WIM and the chair of the SBI, was requested to organise, in conjunction with the SBI session in April-May 2018, ‘an expert dialogue to explore a wide range of information, inputs and views on ways for facilitating the mobilization and securing of expertise, and enhancement of support, including finance, technology and capacity-building, for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events and the secretariat is requested to prepare a report on the expert dialogue’.

Known as the Suva Expert Dialogue, this important meeting related to loss and damage will take place on 2 and 3 May.

Given that the outcomes and report of the expert dialogue are a critical step towards the review of the WIM in 2019, the dialogue is expected to draw much attention from developing countries.

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Call for Balanced and Comparable Progress on All Elements of the Paris Work Programme

Bonn, 1 May (Perna Bomzan) – At the launch of the climate talks on 30 April in Bonn, Germany, under the UNFCCC, the Kyoto Protocol and the Paris Agreement (PA), developing countries under the G77 and China called for ‘balanced and comparable progress’ of negotiations on all elements of the PA Work Programme (PAWP).

Parties have been tasked to complete work on the modalities, procedures and guidelines for the implementation of the PA (which is the PAWP) by the end of this year and for decisions to be adopted at the 24th meeting of the Conference of Parties to the UNFCCC (COP24) and the Conference of Parties meeting as Parties to the PA (CMA).

The G77 and China also lamented at recent developments at the Global Environment Facility (GEF) that showed a reduction in finance for climate change.

Ambassador Wael Aboulmagd of Egypt, speaking for the Group, said that at the GEF’s seventh replenishment meeting which concluded recently with a total of US\$4.1 billion pledged, ‘only \$3.3 billion is actually new funding’ and noted that ‘climate change will see a 47% decrease in developing country allocations and an aggregate 37% decrease compared to GEF 6’.

‘This and other equally concerning trends with regard to the Adaptation Fund and the Green Climate Fund (GCF) do not reflect the progression of ambition as articulated in COP decisions and the PA,’ expressed Ambassador Aboulmagd further.

Groups of Parties delivered their statements at the opening of the two-week intersession climate talks at a joint plenary of the Subsidiary Body for Scientific and Technological Advice (SBSTA), the Subsidiary Body for Implementation (SBI) and the Ad Hoc Working Group on the Paris Agreement (APA).

Speaking for **the G77 and China**, Ambassador Aboulmagd expressed that ‘the PA is a landmark agreement. If effectively implemented it will have far reaching implications, foremost among them, the abandoning of a development model which prevailed for more than a century and a half, with devastating consequences, and replacing it with a more sustainable one.’

He said that developing countries ‘attach the utmost importance to the key principles of equity and common but differentiated responsibilities and respective capabilities, in light of national circumstances, and will seek to ensure that these principles are preserved and reflected in the outcome of the PAWP’.

The G77 and China spokesman also stressed that ‘as we navigate this process it is crucial not to overlook, postpone or otherwise sideline any of the agenda items, rather we should adopt a holistic, coherent, comprehensive and balanced approach which addresses the full gamut of topics including mitigation, adaptation, finance, technology development and transfer, capacity-building and loss and damage’.

In this regard, the Group expected ‘reasonably balanced and comparable progress to be made on all agenda items throughout this and future sessions’ and underlined ‘that the output for this session should reflect all Parties’ views and concerns in a neutral and balanced manner, through clear options to be developed in the informal notes’.

He then set out the Group’s expectations on the various agenda items being addressed under the APA.

On nationally determined contributions (NDCs), the G77 stressed the importance of maintaining the nationally determined nature of NDCs and also confirmed that ‘NDCs include mitigation,

adaptation, and means of implementation components as per Article 3 of the PA’.

The Group also stressed that adaptation efforts under the PA ‘should be given sufficient attention reflecting the adaptation-mitigation parity’. On adaptation communications, the G77 said that the communications ‘will continue to play a crucial role in enhancing adaptation action to achieve the global goal on adaptation and help developing countries deal with the significant additional burden borne from dealing with the repercussions of anthropogenic GHG emissions’.

On the transparency framework, the G77 looked forward ‘to making progress on developing the modalities, procedures, and guidelines for the enhanced transparency framework for action and support, in a balanced fashion recognizing the importance of both transparency of action, which has achieved significant progress, and transparency of support, which continues to lag behind’, and added that ‘the transparency framework should reflect the realities of national circumstances and limited capacities of developing country parties compared to those of developed countries, which have been in the process of developing their national measuring, reporting and verification (MRV) systems for more than 15 years’. Consequently, sufficient time and support should be afforded to developing countries to increase their capacities to implement the enhanced transparency framework over time, said the Group.

On the matter of the global stocktake (GST), the Group stressed that ‘the GST must be conducted in light of the equity and the best available science and should include mitigation, adaptation and means of implementation within the scope of the modalities, sources of inputs and planned outcomes’. It also emphasised that the ‘GST process not lead to any type of mandatory approach to increase ambition’.

In relation to the issue of facilitation and compliance of the PA, the G77 and China believes that while all elements and provisions of the PA shall be covered by the work of the committee (on facilitation and compliance), the scope may differ in respect to the function of facilitating implementation and promoting compliance.

On further matters related to the implementation of the PA, the Group stressed that ‘financial support is of fundamental importance to developing countries. However, there is nothing concrete on the table on financial support from our developed country partners in the post-2020 period. This highlights the urgent need to scale up financial resources for developing countries. The current goal (of USD 100 billion per year by 2020) is not enough’.

It expressed concerns over the lack of progress on all finance issues and the reluctance of developed countries to advance on these issues. It said that at COP23, the Group ‘advocated for a standalone SBI item on the identification of the information to be provided by developed country Parties in accordance with Article 9.5. Developing country Parties consider this information essential for enhancing predictability and effectiveness of climate finance.’

On the issue of modalities for biennially communicating finance information in accordance with Article 9.5, the G77 said that ‘taking into consideration the conference room paper tabled by the African Group at COP 23, these modalities could serve transparency of support, inform the GST, as well as for the process to determine a new collective finance goal post-2020’.

It attached great importance to concluding our work on the Adaptation Fund serving the PA in 2018 and ‘expected sufficient time to be allocated for negotiations to conclude this matter’.

The G77 also expressed concerns over the application of ‘unilateral coercive economic measures that affect the capacities of developing countries to finance their efforts in mitigation and adaptation to climate change’. In this context, the Group said that ‘it is of utmost importance for all necessary measures to be undertaken to depoliticize the flow of international financial resources such as through the GEF mechanism’.

On matters under the SBSTA agenda, the G77 said that ‘the work under SBSTA has a direct impact for both the post-2020 implementation and the enhancement of the pre-2020 action, and in that regard, we would like to re-emphasize the urgent need to enhance pre-2020 action and support in terms of finance, technology, and capacity building as a solid foundation for post-2020 implementation’.

In addressing the main items on the SBI agenda, in relation to the ‘status of submissions and review of seventh National Communications and third biennial reports from Annex 1 Parties’, the G77 noted with concern that in the third Biennial Report (BR3), ‘several developed country Parties have not fully complied with reporting guidelines for finance provided. Some developed country Parties have not even submitted their BR3, due on 1 January 2018. Without clarity and transparency, no comparability can be made’.

It also stressed the importance of assuring that new and additional, scaled-up and predictable financial incentives are made available to developing country Parties to support the implementation of forest mitigation and adaptation activities.

In the area of climate finance, ‘in particular as it relates to defining and ensuring certainty, predictability and sustainability remains seriously lacking’, said the Group.

The European Union (EU) underscored the importance of the 2018 deadline for the work of the PA and said it was keen on making progress. It said that one of its objectives for the session was to move towards draft decision texts on all the elements of the PAWP. It further said that the modalities, procedures and guidelines should be fit for purpose and build on the collective experiences of Parties, and should be non-punitive. It further said that it looked forward to the Talanoa Dialogue to ensure that the delivery of the first set of NDCs was on track.

Australia on behalf of **the Umbrella Group** said that 2018 was ‘an important political moment since Paris’ and that ‘we must now bring the PA to life’ with the work programme providing the foundation and mechanism. It added that balance did not

mean providing equal time to all the issues and that the time allocation should be guided by the complexity of an issue at hand. It gave the example of the transparency framework being a complex issue and called for ‘more time’ to be given to enable this to put in place a transparency framework. On differentiation, it stressed that differentiation was reflected in the nationally determined nature of the PA.

Other groupings of Parties who delivered statements included the Like-Minded Developing Countries (LMDC), the African Group, the Arab Group, the Alliance of Small Island States (SIDS), the Least Developed Countries (LDCs), the Bolivarian Alliance for the Peoples of Our America (ALBA Group), the Independent Alliance of Latin America and the Caribbean (AILAC), Brazil, Argentina, Uruguay (BAU); Brazil, South Africa, India, China (BASIC), the Coalition for Rainforest Nations and the Environmental Integrity Group (EIG).

Edited by Meena Raman.

APA Co-chairs Outline Mode of Work towards Text for Negotiations

Bonn, 2 May (TWN) – The Ad Hoc Working Group on the Paris Agreement (APA) under the UNFCCC launched work at a contact group convened on 1 May at the talks taking place in Bonn from 30 April to 10 May and called on Parties to ‘significantly increase the pace of work and build textual narratives’ in efforts to move towards a text that would be the basis for negotiations as regards the Paris Agreement Work Programme (PAWP).

(The PAWP deals with the modalities, procedures and guidelines [MPGs] necessary for the implementation of the PA.)

Parties were divided on what are matters within the PAWP and what are not. While developing countries were of the view that there were additional matters especially those related to finance that needed to be addressed by the APA as part of the PAWP, **the Umbrella Group** clearly stated that these ‘additional matters’ were not part of the PAWP. (See further details below.)

The APA co-chairs, **Sara Baashan (Saudi Arabia)** and **Jo Tyndall (New Zealand)**, outlined the mode of work and suggested to Parties how they should progress on the different agenda items, working in informal consultations, facilitated by two co-facilitators for each agenda item.

(The six agenda items of the APA are nationally determined contributions [NDCs], adaptation communications, transparency of action and support, global stocktake, committee to facilitate compliance and matters related to the implementation of the Paris Agreement [PA].)

According to the co-chairs, the aim of the APA session is to move towards an agreed basis of negotiations. Tyndall said that the co-facilitators of the informal consultations had been instructed to help Parties move towards a basis of negotiations by tidying up informal notes, by clustering elements in a logical way and clarifying options, without removing options from the table. The streamlined text would not supersede the informal notes without the green light from Parties, she said.

Tyndall also stressed on the interlinkages (between the issues under the APA as well as under the Subsidiary Bodies) and informed Parties that they would convene a meeting with the heads of delegations to hear their assessment of cross-cutting issues and explore ways to move forward. She also said that the co-chairs would share information with Parties about the organisation of such work and the specific issues that should be addressed at the meeting.

The APA co-chair stressed that there would be ‘no picking and choosing of issues’ and that there would be progress on all the issues, saying that they work closely with the chairs of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and Subsidiary Body for Implementation (SBI) on the PAWP.

Outlining the mode of work in the informal consultations, Tyndall said that for the agenda item on NDCs, there existed divergent views among Parties on the scope of NDCs and on how to deal with differentiation in the guidance on information and accounting of NDCs.

On adaptation communications, Tyndall asked Parties to focus on identifying substantive elements and elaborating elements into textual proposals. She also said Parties should determine requests to develop common guidance applicable to any vehicle or develop vehicle-specific guidance where needed. (The ‘vehicles’ for the communications referred to include national communications, national adaptation plans or NDCs.)

On the transparency framework for action and support, Tyndall suggested Parties refine and complete draft elements and streamline proposals and develop options as necessary. She said Parties should discuss specific examples to develop flexibility for those developing countries that need it in the light of their capacities. She also said Parties should clarify understanding of what and how specific proposals are linked to other agenda items and other bodies.

On the issue of the global stocktake (GST), Tyndall proposed that Parties elaborate bullet points

to prepare coherent text with the aim of forming a basis of negotiations and to develop text elements on equity. She also asked of Parties to identify common elements and clarify differences and express them as options. (The GST refers to the stocktaking of the implementation of the PA ‘to assess the collective progress towards achieving the purpose of the PA and its long-term goals’.)

As regards the compliance committee (responsible for the facilitation and promotion of compliance of the PA), Tyndall proposed that substantive text and options be reflected on the scope of the committee’s work. She also said that discussions on linkages of the compliance committee with the other items of the PAWP would be useful.

On the issue of the Adaptation Fund (AF), she said that Parties needed to address governance and institutional arrangements, safeguards and operating modalities of the AF serving the PA.

Tyndall said that on the issue of five possible additional matters for the implementation of the PA, they would be discussed in the following order:

- Initial guidance by the CMA (Conference of Parties to the Paris Agreement) to the operating entities of the Financial Mechanism (Green Climate Fund & Global Environment Facility) under Article 9 (8);
- Initial guidance by the CMA to the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) in accordance with decision 1/CP.21, paragraph 58;
- Guidance by the CMA on adjustment of existing NDCs under Article 4 (11);
- Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9 (5); and
- Setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53.

The sequence of the discussions was agreed to among Parties, and **Gabon** on behalf of the **Africa Group** stressed on the importance of reaching agreement on the issues of crucial importance.

However, speaking for the **Umbrella Group**, **Australia** emphasised that ‘these matters are not part of the PAWP’ and that Parties should not lose sight of the mandate. It stressed that time allocation to issues should be determined by the complexity of each issue and called for additional time for discussions on the transparency framework.

Egypt for the **Group of 77 and China** stressed on balanced and comparable progress across the elements of the PAWP.

Gabon for the **Africa Group** also stressed on the need for a balanced approach in relation to all

the elements of the PAWP across the agendas of the SBI, SBSTA and APA and asked of the APA co-chairs to coordinate closely with the chairs of the Subsidiary Bodies.

It also said that capturing Parties’ views was essential to identifying options, and that Parties would need to have time to understand ‘political issues’. The African Group also said that the heads of delegation meeting would be a good opportunity to discuss the interlinkages and for Parties to keep the purpose of their work in mind, which was to enhance ambition. ‘This is why we are keen on ensuring balance between action and support. Without ex-ante information on finance, it will be difficult to unlock the potential of (actions by) developing countries,’ said Gabon, adding that further time should be allocated to issues on finance, technology transfer and capacity building.

Speaking for the **Arab Group**, **Saudi Arabia** stressed the need for coherence and consistency in dealing with all the items of the APA, including in the allocation of time and progress of content. It did not want to see any item left behind and said that all work in this regard must be completed by the end of the year. It expressed concerns over the different status of items within the APA and said that it could not accept arguments that some issues have matured and some have not. It viewed the outcome as one decision in one package and called for balanced and comparable progress across all items.

The Arab Group was very concerned about the slow progress of items related to adaptation, and said that the guidance on adaptation as a component of NDCs must be addressed with urgency and seriousness. It agreed on the approach to produce ‘textual narratives’ in this session but made clear that streamlining the text must not remove Parties’ options and narratives.

The Maldives for the **Alliance of Small Island States (AOSIS)** also underscored the urgency of moving from concepts to textual narratives and stressed on adequate time for interlinkages to be discussed. It also said that the group expects the APA to conclude work on the essentials required for the Adaptation Fund to serve the PA.

Timor Leste called for time allocation and space to discuss the issue of ‘Loss and Damage’ and suggested that the matter be discussed under the APA. This is very important for a comprehensive and balanced outcome of work, it said. In response, Tyndall suggested that Timor Leste raise this during the informal consultations on the item.

The contact group will meet next on Friday, 4 May, to assess work and adjust guidance as necessary. Parties then proceeded to meet in informal consultations on various agenda items.

Historical Responsibility for Climate Change Must Not be Forgotten – Say Developing Countries

Bonn, 3 May (Perna Bomzan) – Several developing countries who spoke at the opening of the ‘Talanoa Dialogue’ (TD) held on 2 May, under the UN Framework Convention on Climate Change (UNFCCC), reminded Parties that a missing question at the dialogue that deals with the historical responsibility of developed countries for climate change was, ‘How did we get here?’

They were responding to the three questions posed at the dialogue viz. ‘where are we; where do we want to go and how do we get there.’ Developing country groupings including the **Like-minded Developing Countries (LMDC)**, the **Arab Group** as well as **India** stressed that the ‘how did we get here’ question was an important one.

The **LMDC** said that as in history, all stories start with ‘once upon a time’ and that the history of climate change starts with the middle of the 19th century with the industrial revolution in developed countries that generated much of the historical emissions responsible for global warming.

The TD was chaired by **Ambassador Luke Daunivalu** from Fiji, representing the Presidency of the 23rd session of the Conference of Parties to the UNFCCC (COP 23) and Special Envoy for Climate Change of Poland, **Tomasz Chruszczow**, representing the upcoming COP 24 Presidency. The TD kicked off in Bonn, Germany at the UNFCCC’s intersession talks.

(In Paris in 2015, Parties had agreed to ‘convene a facilitative dialogue ...in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to... in the Agreement and to inform the preparation of nationally determined contributions (NDCs)...’. The COP 23 Fijian Presidency introduced the Pacific island concept of ‘Talanoa’ to the facilitative dialogue to reflect the ‘Pacific spirit’ of ‘story-telling, problem solving and decision-making for the collective good’.)

In opening the dialogue, **Daunivalu** stressed that the process is a ‘constructive one’ that is ‘facilitative’ and ‘solutions-oriented’, adding that ‘it is not confrontational but more of a space where we can come together to look for common solutions to the common challenges we all face and that groups of Parties are not to be singled out’. He encouraged Parties to ‘share the stories from your own standpoints and to talk about what is happening within your own countries or constituencies and become an inspiration for others to increase ambition’.

(According to sources who spoke to TWN, the COP 23 Presidency asked the LMDC to remove some text from their submissions, on the grounds that they were singling out some Parties, but the group could not agree and did not want its submission ‘censored’.)

Ambassador Wael Aboulmagd of **Egypt**, speaking on behalf of the **G77 and China**, hoped that the dialogue ‘will be fruitful, effective and inclusive’. He said the G77 wanted clarity particularly on the nature of the outcomes of the process as well as other organisational matters which he hoped ‘would ensure a balanced narrative coming out of the process and reflective of all perspectives’.

The G77 chair stressed further that there needs to be a common understanding of where Parties collectively are with regard to the PA’s long-term goals as well as what opportunities exist to actually achieve those long-term goals. ‘We hope we can approach the process in a comprehensive and holistic manner. The mitigation target is extremely important but equal consideration should be given to the full gamut of issues namely mitigation, adaptation and the means of implementation,’ he added.

On the question of where we are, the G77 believed that international cooperation among all Parties to address climate change has achieved positive outcomes, yet significant gaps still remain in relation to mitigation, adaptation, finance, technology

transfer and capacity building, especially for developing countries.

On the question of where we want to go, the G77 chair said, ‘We need to work hard to achieve the medium and long-term goals set by the Convention and its related Agreements, while fully upholding its principles of equity, common but differentiated responsibilities and respective capabilities in light of different national circumstances and promoting the coordination of combating climate change with the UN’s Sustainable Development Goals (SDGs) 2030.’

On the question of how we get there, the G77 believed that ‘the key to achieving these goals is to find a feasible path for green and low carbon development and to effectively integrate economic development with environmental protection and strengthen international cooperation’.

The Egyptian ambassador underscored that ‘the process should nurture openness, inclusiveness and trust building among Party and non-Party stakeholders to be able to confront the harsh reality of climate change and its impacts and the format of the dialogue should not be prescriptive and all Parties should be allowed to share their stories in a manner they deem most constructive’ and that ‘all voices should be captured’.

Iran on behalf of the **LMDC** stated that it looked forward to a ‘dialogue rather than a monologue’ and that ‘the spirit is not to blame anyone but also not to shy away from realities either’. The LMDC stressed that the three questions of the dialogue bring us to the collective destination but the missing question of ‘how did we get here is equally important’. Iran further said that as in history, all stories start with ‘once upon a time’ and that the history of climate change starts with the middle of the 19th century, referring to the industrial revolution (when much of the historical emissions were generated). It hoped that the dialogue’s facilitative nature can be ‘demonstrated in realities’ and ‘not just in formalities’.

Saudi Arabia on behalf of the **Arab Group** also raised the missing question of ‘how did we get here’, referring to the historical responsibility of climate change. It said that the TD is taking place outside of the negotiations in the spirit of constructive story-telling and it must take into account the different problems and impacts depending on ‘where we are in the planet’. It underscored that it is simple to understand and ‘learn from historical mistakes’ and avoid them for the future in order that history does not repeat itself. It reiterated that the outcome of the dialogue ‘must capture all stories and not one story

is left behind’, adding that there should not be dominance of one story over the others or other groups’ perspectives. It said that Parties have ratified the Paris Agreement in good faith and that the dialogue would help Parties to focus on what they have promised to do and how to operationalise the Agreement.

Gabon on behalf of the **Africa Group** said that although Africa has almost insignificant contributions to the current levels of greenhouse gas emissions and being the most affected continent by the adverse effects of climate change, nonetheless, African countries have been doing a lot not only on the adaptation front but also on the mitigation front with a lot of resources coming from their national budgets. It said, ‘Predictable finance, technology transfer are main catalysts and cornerstones to fulfil our vision that is reflected in the Paris Agreement, the vision that aims at enhancing ambition for all, acknowledging the specificities of the African countries and their national circumstances and capacities.’ It further said that it expects ‘an outcome that reflects the views of all, an outcome that would be endorsed by all, an outcome that reflects the balance between mitigation, adaptation and means of implementation, an outcome that would enhance international cooperation’.

Ethiopia speaking for the **Least Developed Countries (LDCs)** referred to the special report of the Intergovernmental Panel on Climate Change (IPCC) on 1.5°C being published in October this year, as a critical source of information for the dialogue and said that a ‘formal space’ is needed for its findings to feed into the final stages of the dialogue during COP 24. It further said, ‘The outcomes of the dialogue must ultimately lead to a significant increase in emissions reductions by all countries to put us on track to limit the global temperature increase to 1.5°C. For this, COP 24 should result in a clear political commitment by Parties to take into consideration the results of the TD when communicating their NDCs by 2020.’

The Maldives on behalf of the **Alliance of Small Island States (AOSIS)** said that ‘our work should not only encourage increased mitigation actions but support for them in developing countries through the provision of adequate and predictable means of implementation’.

India said that the dialogue was a very important platform to ensure enhancement of pre-2020 actions. It said that the stories of many developing countries begin with the cost they pay for climate change due to the ‘historical accumulation’ of greenhouse gas emissions. It also underscored that the question of ‘how did we get here’ is central and per-

tains to planning for the future with various aspirations like the achievement of SDGs, poverty eradication and ensuring energy for all in its country. 'Therefore, goals and ambition have to be based on CBDR and equity' and all promises and commitments are 'honoured and fulfilled'. It further remarked that in line with the Talanoa spirit, there must be tolerance of each other's views and stories and that the dialogue should not try to be 'prescriptive' in what and how stories should be told. The 'sovereign' rights of Parties to share stories in a manner they see fit must be respected and the faintest of voices must be captured with all stories receiving equal weightage.

South Africa said that the dialogue provides new possibilities to raise ambition and 'identify gaps in the pre-2020 period'. It said that there is a 'direct link between support and ambition' and that the dialogue should look at ambition in the broader spectrum, in all its forms. It further remarked about the process, raising the question of transition from the technical to the political phase. It sought clarity on whether there will be a synthesis report or a collation of stories distilling policy options or whether there would be a Presidency document. It asked what

sort of outcome was sought from the political phase and whether there would be a negotiation phase.

Australia on behalf of the **Umbrella Group** said that it is participating in the dialogue 'in full support of the objective of taking stock of our collective progress towards the long-term temperature goal of the Paris Agreement'. It further said that 'we hope to build a common understanding on ways of making progress, addressing challenges and realising the benefits of collective action'.

The European Union said the dialogue 'can and should foster an honest reflection of the adequacy of present NDCs compared to the long-term goal' and that it should 'inform our reflection on our common commitment and identify tangible actions'. It said the 'European Commission will present a proposal for a strategy for long-term EU greenhouse gas emissions reductions very soon' and in addition, the 'EU member states have already or will communicate national long-term low greenhouse gas emissions development strategies to the UNFCCC'.

Mexico on behalf of the **Environmental Integrity Group** said that the dialogue is a much needed exercise to 'review our current efforts' and find a way to 'enhance ambition' to reach the global goals.

Developing Countries Frustrated in Discussions over Finance Issue

Bonn, 3 May 2018 (TWN) – Developing countries were visibly frustrated at the lack of willingness by developed countries to begin discussions over a proposal forwarded by the African Group on the identification of information to be provided under Article 9.5 of the Paris Agreement (PA), at the climate talks being held in Bonn, Germany.

Discussions on the matter took place on 2 May in informal consultations under an agenda item of the Subsidiary Body for Implementation (SBI) on ‘the identification of the information to be provided by Parties in accordance with Article 9.5’.

(Article 9.5 of the PA essentially provides that *developed countries ‘shall biennially communicate indicative quantitative and qualitative information’ related to the provision and mobilisation of financial resources ‘including as available, projected levels of public financial resources’ to be provided to developing countries.*)

South Africa for the **African Group** had tabled a [conference room paper](#) (CRP) on the issue. During the informal consultations, it requested the co-facilitators to project the CRP on the screen for Parties to look at so that it could go through it.

However, the co-facilitator facilitating the session, **Peter Horne (Australia)**, said that that would mean that Parties were ‘deviating’ from the agreed mode of work for the session and that he would have to hear the views of the other Parties first to see if there were any objections. According to Horne, the agreed mode of work was that the co-facilitators would pose some questions to Parties to delve deeper into the substance of the issue which were around possible additional elements or information not captured in their informal note; identifying duplications or overlaps; and on structuring the informal note better to express the elements or information contained in it.

South Africa responded that the CRP speaks to all the three questions posed by the co-facilitators and that they were not deviating from the agreed mode of work. (The CRP presents a draft decision detailing the current, qualitative and quantitative information to be provided by Parties under Article 9.5). It repeated its request that the CRP should be projected on the screen.

The African Group request was supported by other developing countries including **the G77 and China** and the **Like-minded Developing Countries**.

Developed countries on the other hand, were opposed to the request and this included **the United States, the European Union, Australia** and **Switzerland**, who wanted South Africa to present the group’s proposal orally.

Gabon expressed surprise with the process being followed and it said that it is the right of a group to submit a CRP and for the co-facilitators to project it on screen. ‘Parties are allowed to provide text and then you can compile, but the way you are portraying is that you are taking the lead and telling Parties what to do. Besides, Parties can change the mode of work if Parties decide to do so. The last time we met, it was still a Party-driven process but now it seems this has become a co-facilitator driven process,’ said Gabon in exasperation.

A long discussion ensued, with Horne maintaining his stance that he had heard calls from the floor (by developed countries) to hear the content of the proposal orally.

In spite of repeated requests by developing countries to project the CRP on screen and clarifications sought on why the CRP could not be projected, the session came to a close without the CRP being projected on screen.

Towards the end of the session, the developing country co-facilitator of the consultations, **Seyni Nafu (Mali)**, was visibly outraged and urged Par-

ties to not waste time and to engage in substantive discussions with whatever proposals were on the table, whether they were in a CRP form or in any other form. ‘We wasted 50 minutes. This is a technical conversation. There will be plenty of time for politics. We need your technical inputs, so give us your technical inputs so that we progress. If you have technical inputs, we will take them, if you do not have technical inputs, we will not take them,’ expressed Nafo in frustration.

Informal consultations on this matter will continue May 3.

Informal consultations on the Technology Framework

Informal consultations under the Subsidiary Body for Scientific and Technological Advice (SBSTA) on the ‘technology framework’ under Article 10.4 of the PA began on Monday, April 30.

(Article 10.4 of the PA provides that ‘a technology framework is hereby established to provide overarching guidance to the work of the Technology Mechanism (TM) in promoting and facilitating enhanced action on technology development and transfer in order to support the implementation of this Agreement...’)

Parties discussed the initial draft of the technology framework prepared by the Chair of the SBSTA, focusing on the key themes on innovation and implementation.

Developing countries said that the initial draft of the framework was a good starting point but they ‘could not see how a framework can be operationalised’ based on its current form.

The G77 and China, wanted a section on the functions of the framework which will envisage the overarching guidance to the TM. It also said that ‘the assessment of technologies that are ready for transfer’ reflected in paragraph 67 of the decision from Paris (decision 1/CP21) was missing.

India noted that the emphasis on technology transfer should be from North to South and not just South-South.

The European Union said that Parties had agreed that the technology framework should be a strategic overarching guidance and that it should not be too detailed but as ‘a strategic document that is lean’. It said that the current draft was too long.

The United States said there should be no assumptions that finance is to be provided at every stage of the technology cycle and it was not necessary to be balanced between technologies for mitigation and adaptation.

Informal consultations are still continuing on the technology framework.

Nationally Determined Contributions (NDCs)

At the informal consultations under the Ad hoc Working Group of the PA (APA) on nationally determined contributions (NDCs), Parties had a good exchange of views on 2 May, on the information guidance needed for the clarity, transparency and understanding of NDCs as required under Article 4.8 of the PA.

Parties had divergent views on whether the information to be provided for under paragraph 27 of decision 1/CP.21 were mandatory.

(Paragraph 27 provides that ‘...the information to be provided by Parties communicating their NDCs...may include, as appropriate, inter alia, quantifiable information on the reference point (including as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, planning processes, assumptions and methodological approaches including those for estimating and accounting for anthropogenic greenhouse gas emissions and as appropriate, removals, and how the Party considers its NDC is fair and ambitious...’.)

Some developed country Parties and small island countries are of the view that the information referred to in paragraph 27 are mandatory, while other countries such as the **LMDC** and **Argentina, Brazil** and **Uruguay (ABU)** say that this is not that case, and that it was up to the Parties to nationally determine what information is necessary for the clarity, transparency and understanding of their NDCs.

Informal discussions are expected to continue in this regard.

Suva expert dialogue

The two-day Suva expert dialogue on ‘Loss and Damage’, mandated by COP23, kicked off on 2 May. The first day saw the conduct of two parallel discussions on (i) risk assessment and risk transfer and (ii) risk reduction and risk attention. Both, Parties and non-Party stakeholders participated and presented their views in the discussions.

Paragraph 9 of decision 5/CP.23 requested the Secretariat, under the guidance of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (WIM) and the SBI chair, to organise ‘an expert dialogue to explore a wide range of information, inputs and views on ways for facilitating the mobilization and securing of expertise, and en-

hancement of support, including finance, technology and capacity-building, for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, with a view to informing the preparation of the technical paper referred to in paragraph 2(f) of decision 4/CP.22’.

The technical paper will serve as an input to the review of the WIM scheduled to take place at

COP 25 in 2019. The technical paper will elaborate (i) sources of financial support, as provided through the Financial Mechanism, for addressing loss and damage as described in relevant decisions, as well as modalities for accessing such support; and (ii) finance available for addressing loss and damage as described in relevant decisions, outside the Financial Mechanism, as well as the modalities for accessing it.

Divergent Views on Whether ‘Modalities’ for Finance Information Part of Paris Mandate

Bonn, 4 May (Meena Raman) – Parties were divided on whether the issue of ‘modalities’ for the biennial communication of indicative information on the financial resources available to developing countries under Article 9.5 of the Paris Agreement (PA) is part of the Agreement’s mandate and therefore, part of the PA’s Work Programme (PAWP).

At informal consultations held on 3 May on the issue under the UNFCCC’s Ad Hoc Working Group on the Paris Agreement (APA), Parties expressed divergent views on the issue, with developed countries, led by **Japan**, saying that the issue of ‘modalities’ for the information was ‘outside the mandate of the PA’ and not a part of the PAWP, while developing countries argued otherwise.

(Article 9.5 of the PA provides that developed countries ‘shall biennially communicate indicative quantitative and qualitative information’ related to the provision and mobilisation of financial resources, ‘including as available, projected levels of public financial resources’ to be provided to developing countries.)

(Discussions on Article 9.5 are happening under two subsidiary bodies – under the Subsidiary Body for Implementation (SBI), which is addressing ‘the identification of information under Article 9.5 to be provided by Parties’ under agenda item 15, while the discussions under the APA are procedural to determine whether and in which body ‘modalities’ for such information will be discussed. This was a highly contentious issue which held up the closing of the climate talks last year, as developed countries were opposed to discussing the ‘modalities’ for such information.)

At the informal consultation held on Thursday which is facilitated by the APA co-chairs **Sara Baashan (Saudi Arabia)** and **Joe Tyndall (New Zealand)**, two questions were posed to Parties to kick off discussions on the issue viz:

- What, if any, are those specific additional matters concerning Article 9.5 that are not being

addressed by the SBI under its agenda item 15, and may require consideration by the Conference of Parties to the Paris Agreement (CMA) and

- If there are such specific additional matters, what is the appropriate forum for considering them?

Speaking for the **African Group, South Africa** said that the matter was of crucial importance and must be resolved, adding that it had submitted a ‘conference room paper’ (CRP) on the issue under the SBI agenda item and that Parties must concentrate on the procedural aspect under the APA agenda item to further consider the information that is to be provided.

‘We see the reporting on finance, including accounting and transparency of finance, as an important continuum,’ said South Africa and explained that the Group would like to see a registry (for the finance information) and for the Secretariat to be mandated to prepare a synthesis report of the submissions and for Parties to consider this synthesis report. It also wanted the information to be aligned with the common time frames of nationally determined contributions (NDCs) to be decided under Article 4.10 of the PA. (Under Article 4.10 the CMA is to consider at its first session, common time frames for NDCs. Currently, most Parties’ NDCs have a time frame of 10 years while for a few, it is five years.)

Explaining its proposal further, South Africa said that it proposed a decision to start the communication process which is about ex-ante information on finance, which it said should start next year, so that ‘we consider what the ex-ante provision on finance will look like’. It added that ‘such a decision should start to trigger the facilitative multilateral consideration of progress and technical expert review in relation to the information provided and reported under the transparency framework. These are the procedural elements we would like to see in a decision.’

In answering the second question posed by the co-chairs, South Africa said that the mandate exists under the APA to have the discussion.

Egypt for the **Group of 77 and China** said the matter at hand is related to the implementation of the PA and it is critical to strike a balance as part of the outcome Parties hoped to achieve at the 24th meeting of the UNFCCC's Conference of Parties (COP24) and that the matter was an intrinsic part of the PAWP. The **G77** clarified that there were two components to the process: one under the SBI and one under the APA and that there should be progress on both the issues.

Japan said it would like to remind Parties that the issue of 'modalities' for the information was 'outside the mandate of the PA' and not a part of the PAWP for the first CMA, which it said was clearly stated in the decision of the 23rd meeting of the Parties to the UNFCCC (COP 23).

The United States agreed with the **G77** and **China** on the importance of Article 9.5 for the implementation of the PA and this was why it had agreed to discussing it under the SBI. 'We do not agree that we have a mandate or need a mandate (to discuss it under the APA),' it said, adding that the issue had been resolved and it 'was uncomfortable to revisit the issue'.

Gabon expressed that Parties were discussing the issue of 'modalities' for the information under the APA and they needed to know how the information obtained would be processed and therefore Parties needed to discuss this to figure out how to operationalise Article 9.5 of the PA. It asked what kind of process was envisaged once the identification of the information had been done.

The European Union stressed that the SBI item would provide the clarity on identifying the type of information to be provided by countries and Parties could continue discussions there.

China explained that the purpose of the discussion is to have better implementation of the PA. It wanted to understand how the information without the modalities could enable developed countries to implement the Article. 'Once they communicate the information, what will we do with the information? How do we ensure that whatever is communicated is implemented? This relates to ex-ante information. Our NDCs will be implemented soon. Without the ex-ante information, it will be difficult to implement our NDCs,' it said further, adding that the issue of the modalities was a key part of the PAWP package.

Switzerland supported Japan and the US and added that Parties should be 'faithful' to the Paris mandate.

Saudi Arabia stressed that Article 9.5 is integral to the PAWP package, because Parties would need the finance information on what was coming in the pipeline, and in the absence of that information, developing countries would not be able to raise the level of ambition. It saw the matter as being 'fundamental' and did not view it as an 'additional matter', saying that attempts to refer to it as a 'political' issue would not help (the process). It also said that those who felt that Article 9.5 was not part of the PAWP would need to explain to other Parties why they thought that was the case.

Referring to the discussions on Article 9.5 in the SBI agenda item on 2 May, it said there was a huge resistance to consider the CRP submitted by the African Group, and which was endorsed by the **Like Minded Developing Countries (LMDC)** and the **Arab Group**. (For more on this see TWN Update 5). It added that there was not much progress under the SBI agenda.

Ecuador for the **LMDC** provided an eloquent description of the task at hand. 'There are two types of information we are working on currently. What information on financial support needs to be provided by developed countries; one is an indicative qualitative and quantitative information under 9.5 and one is on Article 9.7 which is on information on support provided and mobilized. One is ex-ante information (Article 9.5) and one is ex-post information (Article 9.7).'

On the information under Article 9.7, Parties have identified the need to develop these modalities under the Subsidiary Body for Scientific and Technological Advice (SBSTA), it said. 'What we need here is to develop modalities on how the information (under Article 9.5) is presented. It will help to address our concerns to discuss modalities (for this),' said Ecuador further.

India said that developing countries had the full right to know how the information would be communicated and what the modalities would be and unless they did that, the PAWP could not be fixed.

Towards the end of the meeting, Co-Chair Tyndall said that they had heard several different views and that they would discuss the issue at the next session on the issue which has been scheduled for 4 May.

During the discussions, **Timor Leste** also said that scaling up support is critically important and the APA mandate is to discuss further matters related to the PA. It proposed that 'Loss and Damage' be discussed under the APA agenda (item 8) to give the PAWP its balance and comprehensiveness.

In response, Tyndall informed Timor Leste that agenda item 8 was to consider procedural issues that

were not being addressed under the PAWP. She asked Timor Leste to state what were the issues that the Warsaw International Mechanism on Loss and Damage was not addressing and which could be discussed under agenda item 8 and that would be required to be adopted by the first CMA.

Discussions under the SBI

Meanwhile, informal consultations under the SBI were convened afternoon of 3 May on the identification of information to be provided under Article 9.5 of the PA.

The co-facilitator of the informal consultations, **Seyni Nafo (Mali)**, reminded Parties that the **African Group** had submitted their CRP on the matter and that submissions were also made by **Switzerland** on behalf of the **Environmental Integrity Group (EIG)**, the **United States** as well as the **Alliance of Small Island States (AOSIS)**.

South Africa for the **African Group** asked the co-facilitators to project their proposal contained in their CRP on the screen, which was done, and explained the proposal. South Africa said that the proposal was also supported by the **LMDC**.

The proposal, said South Africa, identified, among other matters, the following information:

As regards the ‘qualitative information’ the proposal includes - ‘(1) Responsiveness to developing country needs, priorities and expectations; (2) Information on the relationship between public interventions used and private finance mobilized; and (3) Information on actions to be taken to and plans to mobilize finance for the implementation of NDCs and national adaptation plans’.

In relation to the ‘quantitative information’, the proposal includes:

‘(1) Expected levels of climate finance to be provided through multilateral, bilateral, regional and/or other channels; (2) Expected levels of climate finance to be provided through the UNFCCC financial mechanism, including the operating entities...; (3) Expected levels of mitigation finance to be provided; (4) Expected levels of adaptation finance to be provided; (5) Expected level of support for technology transfer and capacity building to be provided...’

On what to do with the information, South Africa also explained that it wanted a decision ‘to establish a registry of information to be communicated by developed country Parties’ and for ‘the Secretariat to prepare a synthesis report for consideration’.

The African Group wanted its CRP to be the basis of discussions and to be included in the up-

dated informal note of the co-facilitators. This was supported by other developing countries including **China**, the **LMDC**, **India** and the **Philippines**.

Switzerland said that it was not ready to use the African proposal as a basis for negotiations or for one Party’s submission to be attached to the informal note. It said that there is potential for the clustering of elements in relation to the identification of the ex ante information.

The European Union supported the Swiss proposal. **The US** said that the African Group CRP was ‘out of the scope and mandate’ of the PA. It added that the information identified in the African proposal could be part of an updated informal note by the co-facilitators, which could also include ideas contained in the US submission and Parties could consider what elements are within or outside the Paris mandate.

Australia also echoed the sentiments of the US. **Japan** wanted to proceed on the basis of the co-facilitators’ informal notes and said that it was very hard to predict with certainty the support to be provided as this was based on needs, experience and consultations with recipients. Hence, this cannot be known beforehand in order to make a pledge or commitment.

Malawi for the **LDCs** said that some elements were missing from the co-facilitators’ informal notes, including support for loss and damage and the geographic allocation of finance.

South Africa in response to Japan said that it was confused as Japan has provided upfront information on finance for longer terms beyond one year. It said that ‘the intention is not to set top-down rules or to tell governments to change things’ but ‘what we are asking is for clarity of information as regards the pledges’.

Switzerland in response said that it was not possible to provide ‘a number’ as there is a ‘dialogue’ with a partner country. ‘When a commitment is made, it is disbursed over several years’ and that information is reported ex post, adding that there was a difference in understanding among Parties.

The EU said that with its 28 member states, there are difficulties with the type of information to be provided, adding that some countries have different budget cycles and different approaches in their bilateral programmes.

Following the exchanges, **Nafo** said that the co-facilitators will work on revising their informal notes, in streamlining the document without prejudice to any Party’s position to address the overlaps and redundancies and another informal session will be convened next Monday, 7 May.

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Need for Comparable and Balanced Progress on All Issues – Say Developing Countries

Bonn, 7 May (Meena Raman) – Developing countries, led by the Group of 77 and China, called for comparable and balanced progress in the negotiations on all elements of the package of decisions, to be adopted at the year-end climate talks under the UNFCCC.

Egypt, speaking for the **G77 and China**, said that it was ‘disconcerted by the lack of progress on certain agenda items, while other items are seemingly moving forward at a faster pace’, and that this was ‘not simply a matter of allocating time equally, but perhaps (is) a political matter that must be attended to’.

These views were expressed at the end of the first week of the intersessional climate talks under the UNFCCC at a joint stocktake meeting of the Subsidiary Body for Scientific and Technological Advice (SBSTA), the Subsidiary Body for Implementation (SBI) and the Ad Hoc Working Group on the Paris Agreement (APA) which was convened in Bonn, Germany, on 5 May. The talks began on 30 April and are set to end on 10 May.

Developing countries also gave an assessment of how they saw a lack of progress on issues of priority for them, stressing that matters relating to finance and adaptation were lagging behind.

The G77 and China called for ‘a holistic package approach’ and said that ‘our agreement that no issue should be left behind should be manifested in the level of progress we make on various tracks and across the rooms’. It clarified that it was ‘seeking comparable progress to assure everyone that their priorities are not being ignored nor marginalized. We believe that this is in the full interest of the process and more conducive to making real progress.’

It stressed that it is essential to see progress on the entire Paris Agreement Work Programme (PAWP) and that the work should be carried out in accordance with the principles of the Convention,

its Kyoto Protocol and Paris Agreement (PA), in particular the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC). ‘The coherence and harmony of the various decisions under these bodies must be maintained. To this end, we believe that the process should be iterative and merge similar views, without pre-judging the final outcome and with equal treatment being granted to the views of all Parties,’ it added.

The G77 said further that ‘as our work progresses in this and future sessions, we truly hope that attitudes will change and that the negotiations process will not be held up by procedural obstacles,’ adding that at this session in Bonn, ‘we have seen quite a few’. It also said that ‘it is crucial that this process remains transparent and Party-driven’ and that ‘the reality, and the perception of co-facilitators (responsible for facilitating the various informal consultations on issues and capturing the discussions in informal notes) as completely impartial in the performance of their duties must be preserved and ensured’.

The Group also expressed concerns ‘that the discussions on the implementation of the finance arrangements to implement the PA are still focusing on further elaborations and adding details to the informal notes, despite a number of conference room papers (CRPs) submitted by the G77 and China and also by G77 members’, adding that it is important ‘to shift to negotiating mode as soon as possible, ideally if we can leave Bonn with draft negotiating text so we can start negotiations in earnest at our next session’.

On the issue of parallel tracks discussing climate change, namely the International Maritime Organisation (IMO) and International Civil Aviation Organisation (ICAO), the Group recognised ‘the importance and value of efforts to address emission reduction efforts throughout the UN system’ but said

that such efforts ‘complement and support our work here rather than conflict with or distort it’ and that they ‘remain faithful to and consistent with the Convention, its Kyoto Protocol, and PA’.

Iran speaking on behalf of the **Like-minded Developing Countries (LMDC)** gave its assessment of the ongoing talks. On the issue of nationally determined contributions (NDCs) it said, ‘Progress is being stalled by developed countries who continue to insist on moving away from the full and comprehensive scope of NDCs as agreed in Paris, and saying that NDCs are only about mitigation,’ adding that ‘this is contrary to the PA, especially Article 3, which defines the full scope for NDCs (which includes mitigation, adaptation and the means of implementation.’ The LMDC was also ‘deeply concerned about continued attempts to do away with CBDR (principle) as the fundamental basis for shaping NDCs. We cannot agree to these attempts at rewriting and renegotiating the Convention and the PA.’

On the issue of ‘adaptation communication’, it noted progress as there is a comprehensive informal note which has been built by Parties with all options on the table. It said that since there is no more place to discuss about NDC-specific guidance on adaptation, it wanted the APA under the agenda on ‘adaptation communication’ to discuss this further, adding that this communication as part of the NDC is an option, and more than 100 countries have included adaptation in their NDCs.

On the transparency framework, Iran said that the process required a shift to enable Parties to engage substantively in negotiations on the structure of the modalities, procedures and guidelines (MPGs), so that there can be clear identification of which MPGs apply to developed countries and which apply to developing countries as a reflection of the flexibility accorded to them under the PA.

On the matter of the global stocktake (GST) to assess the collective progress on the long-term goals, the LMDC said that the inclusion of equity as the context in which the GST will take place is non-optional. ‘Equity must therefore be reflected in operational detail in the modalities for GST.’

As regards the facilitation and compliance mechanism, Iran said that there is a need to have a clear scope section in order to be sure that the compliance mechanism will be effective in facilitating and enhancing the implementation of the PA on the basis of CBDR, the respective commitments of Parties.

On the issue of finance, the LMDC echoed the concerns of the G77 and said that developing countries have presented written inputs in the form of

CRPs for Parties to have a constructive engagement but there has been no willingness by developed countries to consider them, with the view that they could not be the basis for negotiations. The LMDC lamented that this is not how CRPs of Parties should be treated.

The Maldives for the **Alliance of Small Island States** said that negotiations needed to be stepped up and called for a balanced and comprehensive outcome on all agenda items. It said that the ‘orphan’ issues in the PA needed to be addressed, referring to issues that were not being addressed by any of the bodies. It also stressed on the need for a Party-driven process and wanted to see co-facilitators produce streamlined texts with the views of all Parties reflected. It also stressed that the issue of ‘loss and damage’ must be included in the outcome of the talks in Poland.

Ethiopia for the **Least Developed Countries** said that the process was not moving quickly enough in relation to NDCs and on the means of implementation including finance. It wanted the production of ‘textual narratives’ with new iteration of the informal notes which captures the PAWP in a balanced manner. It wanted the presiding officers of the bodies to be mandated to prepare the texts for the next session and for work to be suspended at the end of the Bonn session and for work to be picked up at the additional session to be held in Bangkok (in September this year).

Saudi Arabia for the **Arab Group** said that the success in Poland starts in Bonn and that the negotiating text has to have equilibrium in both the level of the substance and status. It wanted more time allocated to the issues of adaptation and response measures. It could not accept a different treatment of issues on the grounds that they have different levels of maturity.

Chile for the **Independent Alliance of Latin America and the Caribbean (AILAC)** said that there is a need for clear options with full textual narratives to be the basis of future negotiations.

Gabon for the **African Group** said that progress is needed for the issues that were lagging behind to have a comprehensive outcome in Poland. In relation to the issue of adaptation, it said that there was a need to clarify the support needs of developing countries and for the operationalisation of Article 7 of the PA in this regard. On the finance issues, it said that it was critical to have understanding and clarity on the ex-ante communication on public finance resources available, as well as the launch of a process for a new quantified collective goal on finance.

India also highlighted that the finance issues have lagged behind other matters. In relation to the ICAO and the IMO, it was concerned that issues being discussed in these bodies are not in line with the PA with no provision of finance for developing countries and there is a need for space under the UNFCCC to lay down the necessary modalities for the work in those bodies.

Australia, for the **Umbrella Group**, said that there was a need ‘to act faster with greater focus’ and that no issue of the PAWP should be left behind. It said that revised informal notes by co-facilitators were needed which should form the basis for further negotiations.

The European Union said that streamlined versions of the informal notes are key for bringing Parties towards a draft decision text, and believed that further iterations of text must be in the hands of co-facilitators. Faster progress on one issue should not block movement on other issues, it added. It also said that a joint reflections note from the chairs of the various bodies was useful.

Switzerland for the **Environmental Integrity Group** was concerned about the slow progress of work and called for discussions to be held in ‘informal-informal’ settings to advance further progress.

Developing Country Delegates Provide Insights on Climate Negotiations

Bonn, 7 May (TWN) – Delegates from developing countries provided their insights into the ongoing negotiations under the UNFCCC and the Paris Agreement (PA) at a side event organised on 30 April, at the opening of the Bonn climate talks.

The side event was organised jointly by Third World Network (TWN) and South Centre (SC), where developing country representatives outlined their expectations for the UNFCCC's 24th meeting of the Conference of the Parties (COP24), which will be held in December in Poland, and provided their insights on the negotiations, including the contentious issues at hand.

The speakers at the side event included **Walter Schuldt** from **Ecuador**, the former chair of the G77 and China in 2017, **Kamal Djemouai** representing the **African Group**, **Ayman Shasly** of **Saudi Arabia** who represented the **Arab Group**, and **Pei Liang** from **China**, who is coordinating the issue of Nationally Determined Contributions (NDCs) for the **Like Minded Developing Countries (LMDC)**.

Explaining the perspective of the LMDC on NDCs, **Pei Liang** said that the main contention in the NDC negotiations centred around the scope of the NDCs. The question in the negotiating halls is whether guidance on NDCs should cover only mitigation, or be comprehensive, covering mitigation, adaptation and means of implementation. Referring to Article 3 of the PA, which gives it its comprehensiveness, Pei Liang said that there is an attempt to restrict the scope of NDC discussion under Article 4 of the PA to mitigation. 'Article 4 is NDCs and mitigation,' he stressed.

He also referred to the views of developed countries that discussions on adaptation and means of implementation were happening elsewhere and there was no reason therefore to discuss these in the NDC discussion. He said that the argument needs to be tested for accuracy because guidance for the other

topics was not being discussed elsewhere. He gave the example of adaptation communications.

'Adaptation communication has three potential vehicles: (through) national communications, national adaptation plans and/or adaptation as a component of NDCs, but developed countries are reluctant to discuss adaptation as a component of NDCs and do not want to discuss finance, technology development and transfer and capacity building as their contribution. The issues discussed under technology and capacity building streams are general institutional issues but these issues do not touch upon the individual undertaking of developed countries,' said Pei Liang.

He also explained why guidance on all aspects of the NDCs is required, adding that when developing countries design their NDCs, they need to know information on projection of finance and technology, so that they can decide on their policies accordingly. 'Developed countries should provide us with the means of implementation to enable us to put in place ambitious mitigation goals. There remains an adaptation gap, as well as a support gap. We need this comprehensive picture on global ambition. The principle of common but differentiated responsibilities (CBDR) is the driver for us to take more ambitious action on an equitable basis. We are undertaking action already. But if we want to be more ambitious, we need to also be more ambitious on support. This is the crux of what is needed for an equitable outcome in COP24,' said Pei Liang.

Djemouai, reflecting the priorities of the **African Group**, said that the African countries were engaged in the process to enhance the implementation of the Convention and for that, they had submitted ambitious NDCs under the PA. He stressed that the fact that the NDCs are conditional upon 'real and effective means of implementation' support from the developed countries, should be remembered.

He lamented over the dip in the pledges at the Global Environment Facility (GEF) as well as the limited resources in the Green Climate Fund (GCF).

(During the opening of the Bonn climate talks, **the G77 and China** said that GEF's seventh replenishment meeting had concluded recently with a total of US\$4.1 billion pledged, of which only US\$3.3 billion was actually new funding. The Group also noted that 'climate change will see a 47% decrease in developing country allocations and an aggregate 37% decrease compared to GEF 6'. See TWN Update 2 for more details.)

'What will be the impact of such inadequate resources on our countries?' asked Djemouai, while stressing on Africa's vulnerability and how crucial efforts on adaptation and loss and damage are for their countries. 'There is a problem of balance. We see more detailed work done on mitigation issues as well as on transparency. If you go to finance, or adaptation negotiations, the pace there is very slow and this is of real concern to our group. We need balanced progress across all the issues,' he added. 'Besides, it is extremely difficult for African countries to access funding and technology, even small technologies,' he stressed further.

Emphasising the importance of outcomes from formal processes, Djemouai said that events such as the 'Talanoa Dialogue' would not be of much help and Parties must get action done through the formal processes under the UNFCCC, the Kyoto Protocol and the PA.

(The Talanoa Dialogue refers to the '2018 facilitative dialogue' agreed to by Parties in Paris to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to in the PA and to inform the preparation of the NDCs. At COP 23, the Fijian Presidency introduced the Pacific island concept of 'Talanoa' to the facilitative dialogue to reflect the 'Pacific spirit' of 'story-telling, problem solving and decision-making for the collective good'.)

Djemouai also highlighted the responsibility of non-stakeholders in the process and said that under the UNFCCC process, it is countries and not non-state actors who take commitments. The role of the non-state actors is to help governments honour their commitments and not to make it a business opportunity to earn money.

Schuldt from **Ecuador** said that after Paris, Parties were still facing issues on interpretation of the PA and that discussions are going in the 'opposite direction', with the risk of a reinterpretation of the PA, especially as to how to treat 'differentiation' between developed and developing countries. This,

he said, posed a major challenge in moving forward towards a negotiating text, adding that there were artificial distinctions being made between what are political issues and what are technical issues, referring to ongoing work under the Ad Hoc Working Group on the Paris Agreement (APA) and the Subsidiary Bodies on the Paris Agreement Work Programme (PAWP).

He said that Parties should focus on the job at hand, which is to implement the different mechanisms established under the Convention. He further clarified that pre-2020 discussions were equally important and lamented the fact that the second commitment period of the Kyoto Protocol had still not entered into force. The former chair of the G77 and China also said that within the negotiating rooms under PAWP, there was enormous pressure on Parties to restrict the NDC discussions to mitigation only, which was 'problematic'.

Schuldt also provided a description of the key finance issues pending and said that the US\$100 billion goal (per year by 2020) and its roadmap, ex-ante information on finance support by developed countries, how to finance loss and damage, and removing conditions for developing countries to access climate finance were all important discussions on which progress was very limited. He referred to the 'Suva Expert Dialogue on Loss and Damage' and said the dialogue must explore how to calculate finance needs for loss and damage. 'Finance is key to transition to a smooth and responsible implementation of the PA,' he stressed. He also said that while the role of non-state actors was fundamental, it was important to ensure that there is no influencing of the process by 'certain private sector entities'. (He was referring to discussions under the Subsidiary Body for Implementation on the issue of having 'conflict of interest' norms under the agenda item on 'arrangements for intergovernmental meetings'.)

Shasly, reflecting the priorities of the **Arab Group**, said that a delicate balance had been struck in the PA and its expeditious ratification came through because developing countries drew comfort from the fact that the Agreement catered to their sustainable development needs. He also said that the Paris package must be operationalised in a manner that did not hinder their sustainable development.

On the expectations out of COP24, Shasly said the Arab Group expects one single decision with all the elements of the PA, failing which Parties will run the risk of jeopardising the gains achieved in Paris. 'Focusing on just certain areas will not help,' he stressed, and added that every climate action embeds within it both the elements of mitigation and

adaptation and it was therefore important to give equal importance to both the issues.

He also said that how to operationalise equity and the principle of CBDR remained a big question still. Explaining further, he said the idea is to recognise that countries are different and that developing countries have several challenges and different priorities. 'At the end of the day, in the absence of a global system that would ensure our right to development, I do not think we can ever accept a package that compromises our future and our children's future,' elaborated Shasly. He added that Mother Earth is everyone's home and there were those who have enjoyed (its resources) and those who have not and need to do so, including the future generations.

Meenakshi Raman of TWN, who moderated the side event, also provided her perspective. Referring to the three questions posed for the Talanoa Dialogue (viz. where are we, where do we want to go, how do we get there), she said that one question that nobody had asked was 'how did we get here'.

'Asking this question will show history, and this will point to historical emissions, responsible for global warming. However, historical responsibility seems like a dirty word that is not being allowed to be mentioned in this space (referring to ongoing talks),' said Raman. 'We cannot ignore the historical perspective,' she added, explaining how the architecture of climate negotiations under the Convention and the Kyoto Protocol had moved from being 'a top-down to a bottom-up pledge and review process', primarily because of the United States.

She also stressed the lack of ambition of developed countries in the pre-2020 period and asserted that the situation today is because of the emissions

gap caused by lack of action by the developed countries. 'Who needs to fill the gap?' she questioned, saying that everyone realises that the NDCs on the table will not be able to limit the temperature rise to 2°C, let alone 1.5°C.

What Parties need to discuss is who has to reduce and by how much in an equitable and a fair way, but 'this is a conversation that cannot be had because we cannot talk about the allocation of the carbon budget, taking into account the historical emissions'. She lamented that the pre-2020 emissions gap is being shifted to developing countries.

Raman also said that developed countries were using their 'national circumstance' to 'establish self-differentiation', without recognising that 'what national circumstances must mean should be on the basis of who is a developed country and who is a developing country'. She further emphasised, 'The notion of self-differentiation cannot be used as vehicle to hide one's inaction. The fact remains that there are developed countries and there are developing countries.'

Reflecting on the full scope of NDCs, Raman said that for developing countries, the reality is that they cannot afford not to address adaptation as a priority, given the limited resources they have. Besides, they are faced with the challenges of poverty eradication and meeting the basic needs of people, she added. Therefore, the response to climate change in developing countries cannot just be about mitigation, but adaptation and addressing loss and damage, said Raman.

'Equity is the only gateway to ambition in developing countries,' she said, adding that this is underlined by the principle of CBDR. She stressed that the 'but' in the principle differentiates responsibilities and this cannot be forgotten.

Developed Countries Oppose Process to Set New Collective Finance Goal

Bonn, 9 May (Meena Raman) – At the climate talks in Bonn, Germany, held under the UNFCCC, developed countries are opposed to the launch of a process to set a new collective goal on finance that takes into account the needs and priorities of developing countries.

(In Paris, under paragraph 53 of decision 1/CP.21, Parties had agreed that ‘...prior to 2025 the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement [CMA] shall set a new collective quantified goal from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries’.)

They argued that it was too premature to have this discussion, while developing countries insisted that the CMA should launch work on this matter as early as possible, in light of its relevance to the preparation of nationally determined contributions (NDCs), so that the outcome is completed in 2024 at the latest. Developed countries also said that the ‘donor-base’ had to be broadened to take into account the ‘changing financial landscape’.

Discussions in informal consultations on the matter first began under the Ad Hoc Working Group on the Paris Agreement (APA) on 5 May and continued on 8 May under agenda item 8, facilitated by the APA co-chairs **Sara Bashaan (Saudi Arabia)** and **Joe Tyndall (New Zealand)**, on ‘possible additional matters’ to be considered for further work. This was necessary, given that neither the APA nor the UNFCCC Subsidiary Bodies had, in relation to the implementation of the Paris Agreement (PA), been tasked to deal with what are commonly referred to as the ‘orphan’ or ‘homeless’ issues.

Another ‘homeless’ issue which was discussed further at the informal consultations was on ‘modalities for biennially communicating finance information on the provision of public financial resources to developing countries’ in accordance with Article 9.5 of the PA, which first began on 3 May. (See TWN

Update 6 for details of discussions in this regard.)

Wrangling continued over this matter with discussions on 4 and 5 May, and continued on 8 May on how to capture the progress in the discussions at the session. Developed countries did not want the conference room paper (CRP) submitted by the **African Group** and the **Like-minded Developing Countries (LMDC)** and supported by the **Arab Group**, to be attached to the informal notes which, among other things, wanted to see a registry (for the finance information) and for the Secretariat to be mandated to prepare a synthesis report of the submissions and for Parties to consider this synthesis report.

In the final iteration of the informal notes in this regard, the APA co-chairs reflected the options proposed by Parties on the Article 9.5 issue and also annexed the CRP by the developing countries as well as a submission by the **European Union (EU)** which stated that ‘no specific additional matters need to be considered by the CMA’ as the completion of the work under the Subsidiary Body for Implementation (SBI) under agenda item 15 on identifying information to be provided under Article 9.5 ‘is sufficient to operationalise this article and conclude the necessary work under the Paris Agreement Work Programme (PAWP) regarding it’. (See further details on this below.)

New collective quantified goal on finance

The APA co-chairs asked Parties to consider the following questions:

- Should the APA recommend to the CMA when it could initiate consideration of setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53, for a decision prior to 2025?
- At such time as the work to set a new collective goal is initiated, which body should be mandated to take this work forward?

Egypt, speaking for the **G77** and **China**, said that this matter was critical for developing countries. It referred to the US\$100 billion per year that was agreed to in Cancun, Mexico in 2010, and where Parties had also agreed to limit temperature rise to 2°C, and said that the goal ‘did not emanate from a process based on the needs and priorities of developing countries for climate finance which was new, additional, predictable and adequate’, adding that developing countries were uncertain if the US\$100 billion was new and additional. (The US\$100 billion was announced by the US in Copenhagen in 2009.)

Egypt said that if Parties looked at the NDCs of developing countries, it was clear that the US\$100 billion will not be able to deliver on what actions are needed. Referring to the recently concluded replenishment for the Global Environment Facility (GEF), it said that the ‘outcome was not rosy’ as the allocation for climate change had declined. In relation to the Green Climate Fund (GCF), what has been pledged and what is available for programmes is also ‘not rosy’, stressing the importance of having a new goal. It also reminded Parties that in Paris, the US\$100 billion per year by 2020 was stretched to 2025, with its ‘purchasing value’ being much less.

Egypt said that in the period when Parties were talking about enhanced implementation of actions under the PA, there is a need for a ‘dramatic scale-up’ and stressed that how the needs and priorities of developing countries are incorporated and delivered through a multilateral process that comes up with a goal was vital, which is not based on ‘individual collections’ (of pledges). In this regard, the **G77** and **China** said that in order to take a decision on a new collective goal, Parties need to set out the work, as it was a process (to define the goal) and is not a ‘number alone’.

There is a need for a process relating to the ‘technical work and analysis based on the needs and priorities of developing countries which are articulated in the NDCs’ and this work needs to be initiated by a body so that the information ‘gets to a negotiated process, leading to a quantified goal’.

Ecuador for the **LMDC** said that it hoped that ‘the setting up of a new goal on finance will not be an arbitrary process’, adding that what is needed is ‘not a number’ but ‘what the needs of developing countries are so that we are setting up a goal that is not an arbitrary process but is one that is participatory’, including being linked to science and with inputs from technical and scientific bodies as well as Parties, which will require analysis of the inputs. Hence, this could take time and there is a need to start a process early instead of ‘rushing at the end’.

Norway said that this matter was not necessary to be a part of PAWP, adding that it was too early to discuss this in the absence of lessons learnt from the 2020 goal. It also said that under the Conference of Parties to the UNFCCC (COP), there were discussions on ‘long-term finance’ (LTF), with annual workshops and stocktaking exercises and lessons learned.

South Africa for the **African Group**, responding to the second question posed by the co-chairs, said that in the Paris mandate, the timeline was clear as a decision is needed at the CMA in 2024. There needs to be a ‘procedural decision’ for the CMA to start the consideration of a new goal no later than 2020 and there could be a request to the Standing Committee on Finance (SCF) to initiate a technical analysis for the consideration by the CMA, it said, adding that the earlier the decision is made on the new goal, the more clarity there is for developing countries.

The EU said that while setting the new collective goal is important, it did not think it was the right time to discuss this matter and that paragraph 53 does not mention a process. It said further that Parties need to focus on what is mandated for CMA1.

Honduras for the **Independent Alliance of Latin America and the Caribbean (AILAC)** said that in order to build a new finance goal, Parties need to learn from the lessons of the LTF and to take into account the most recent information based on science, agreeing that the process needs to be inclusive and requires technical work.

Canada, while agreeing with the **G77** and **China** that there should be a process for a new quantified goal, learning from the experiences and assessments of the current goal, said that it was premature to consider a new collective goal, as a decision was needed only prior to 2025. It added that it was not necessary to start the process now but to finish the work on the LTF.

China said it was eager to see the finance goal as early as possible and that it was important to initiate a process next year at CMA 2. It also said that support from the bodies of the Convention was necessary in this regard, with the SCF and the Subsidiary Bodies also helping. Learning from the previous process is also a process, said China, emphasising the need for an early process, given that it will take a long time for learning the lessons, the collection of information and for consultations.

Ecuador for the **LMDC** in response to developed countries said that the timeline was clear and that a decision was needed latest by 2024. In response to those who referred to the LTF, it said that developed countries have said during the LTF discussions that it might not continue after 2020.

Malawi for the **LDCs** also called for a process for setting the new goal, learning lessons including from the LTF and said that the goal has to be science-based, that must address meaningful ambition on mitigation and adaptation. A decision was needed by 2024, it added further.

Japan said that an assessment of the 2020 goal was needed and it was too early for the consideration of the new goal.

Egypt for the **G77 and China** in response to interventions referring to the LTF programme said that the LTF was only until 2020 and there was no assessment of the US\$100 billion. If such an assessment was needed for the new goal, then there should be a mandate given to the LTF to do so. For a new goal prior to 2025, two procedural requirements are needed: a process to review and assess the US\$100 billion goal and a technical process in ascertaining the needs and priorities of developing countries and information on both is needed by 2020. This can be part of the LTF which can be done through the SCF, said Egypt.

India also agreed that unless such a process is initiated, it would be difficult to arrive at a new goal. The **Philippines** also expressed similar views as other developing countries.

Australia in response said that a ‘considered approach’ was needed and there were a lot of uncertainties, adding that it will not be known what the finance flows will be as the countries who will need to make a contribution will change in time. It added that this was a matter not to be concluded by the PAWP.

New Zealand also said that the time is not yet ripe for a recommendation for the CMA. It agreed that prior to 2025, a process is needed which should not be arbitrary and the needs of developing countries should be taken into account. It added that there is a need to ‘expand the mandate’ to address the prevailing global financial landscape, with a broader donor base.

The Maldives for the **Alliance of Small Island States** also agreed that a technical process is needed with the needs identified by Parties and that the LTF can inform the new goal. It said that the APA could make a recommendation for CMA 3.

The United States said that there was no need to focus work beyond the preparations for CMA1 and that there is no need to start a process in 2018 for a 2025 goal. It said that paragraph 53 does not decide on a process and that the APA does not need to make a recommendation to the CMA.

Saudi Arabia in response said that Parties need to ask if the setting of a new collective goal is part of the package decisions in Poland. It said that Par-

ties need to agree if this matter is part of the PAWP or if it has to be ‘added to the rest of the issues which end up as casualties’ with no work being undertaken by anybody.

China agreed with **Saudi Arabia** and said that it is important to think of the package of decisions to be adopted in Poland. It added that developing countries were not asking for ‘a number’ but on how this issue is going to be dealt with arrangements to be put in place to arrive at a conclusion in 2024.

Switzerland said that it was not yet time to give any recommendation for the initiation of a process.

Following the exchanges by Parties, in the final iteration of the informal notes of 8 May, the APA co-chairs noted the following:

‘Parties identified the following options for the way forward:

- Option 1: the APA to recommend to the CMA to initiate technical work on the process for setting the goal as soon as possible or at CMA 2;
- Option 2: the process [should][could] be initiated at a future time to be determined by the CMA. So, no recommendation from the APA to the CMA is required;
- Option 3: The CMA’s only role is to set the goal. Therefore, the CMA does not need to initiate a process;
- Option 4: No recommendation is needed from the APA to the CMA on when it [should][could] initiate the work to set the goal.’

Further consideration of this matter will now take place in Bangkok, at the additional session in September this year.

APA – Consideration of additional matter of 9.5

During the APA informal consultations on the ‘modalities’ for the biennial communication of indicative information on the financial resources available to developing countries under Article 9.5 of the PA, **South Africa** for the **African Group** explained once again its proposal which was supported by the **LMDC** and the **Arab Group** that was contained in a CRP with a proposed modality and process.

Canada said that it was clear that the issue of the ‘modalities’ (for the communication of information) is not within the mandate of the Paris decision, adding that the ongoing work under the SBI in identifying the information was sufficient.

APA co-chair **Bashaan** asked Parties to answer the question on ‘what, if any, are those specific additional matters concerning Article 9.5, that are not being addressed by the SBI...that may require consideration by the CMA’.

South Africa for the **African Group** responded that the SBI was not dealing with the issue of ‘modalities’ but was ‘dealing with information’. What was not being addressed was the ‘vehicle’ by which the communication of information is to be submitted, it said, and that it had proposed a registry.

Ecuador for the **LMDC**, explaining the rationale for its submission (with the African Group), said the issue that developing countries have been struggling with is over the ‘modality’ for the communication of the information, or what kind of instrument is to be used. The aggregation of that information will be useful to developing countries in their planning (for climate actions).

New Zealand said that Article 9.5 imposed new obligations on developed countries and the mandate in paragraph 55 of decision 1/CP.21 is for a process to identify that information and is not about the ‘how’ (to communicate the information).

The EU said that the issue of the ‘modalities’ is outside the mandate of the Paris decision and did not see the need for a procedural decision or for any additional matters to be considered beyond what is being discussed under the SBI.

The US said that all issues were considered and addressed in Paris and a balance was arrived at. It also said that there was no need for any additional mandate in relation to Article 9.5 as there are clear procedures for the biennial communication.

Saudi Arabia in response said that Parties need to come to an understanding and there is a need for a vehicle to communicate the information. This matter is not being discussed under the SBI and Parties could ask the SBI to consider the ways and means for communicating that information.

Switzerland said that there are no further mandates from Paris that require the consideration of the CMA. The mandate that needs to be delivered is under paragraph 55 which is being addressed under the SBI.

China in response said that there was a need to have a frank discussion and asked developed countries how they were going to implement Article 9.5.

Saudi Arabia also weighed in and asked whether the work under the SBI to identify the information will operationalise Article 9.5 and wanted to know how the information is being communicated. ‘We must know the mechanism,’ it added, to communicate that information.

Ecuador for the **LMDC** said that it was frustrated with the unwillingness of developed countries to discuss this. It also said that under the SBI, Parties were dealing with the process to identify the

information and after this was done, it wanted to know the next steps.

The US in response said that Article 9.5 ‘operationalises itself’. It said further that developed countries have existing practices and have been communicating and making submissions and there was ‘no gap to fulfil the mandate’.

South Africa for the **African Group** said that Parties were using the ‘mandates to avoid discussions’. It added that developing countries wanted clarity on the financial resources available to access them.

The EU in response said that paragraph 55 takes forward what is needed under Article 9.5 and there is no need for further guidance.

Gabon responding to the US said that it had answered part of the question where there is obligation and practice (to communicate the information) following the existing modality. It wanted to know when the first communication in this regard will be made; whether in 2020 or in 2022. The mandate in this regard, it said, was to make clear when and how the communication is done. **Malawi** for the **LDCs** echoed the sentiments of Gabon, as did **Ecuador (LMDC)**.

China said that information on the current processes on ex-ante information would be helpful and proposed that the Secretariat provide a technical paper in this regard. In response to developed countries, **Saudi Arabia** said that the failure to operationalise Article 9.5 could be the first ‘casualty to drop out of PAWP’ and this could be listed as among the ‘paralysed’ items that will not be in the 2018 package of decisions.

Following the exchanges between Parties that continued on 8 May, in the final iteration of the informal notes, the APA co-chairs noted the following: ‘Parties identified the following options for the way forward:

- Option 1: The APA to recommend to CMA 1 to initiate a process for the modalities for biennially communicating information on finance based on the following: a registry; synthesis report; timeframe for when to start the process of communication, with a link to Article 4, paragraph 10; and a trigger for technical review and multilateral assessment;
- Option 2: No specific additional matter needs to be considered by CMA 1, because this matter is not part of the Paris Agreement.’

The informal note also annexes that CRP of the **African Group** and the **LMDC** which is also supported by the Arab Group as well as the submission by the **EU**.

At the Subsidiary Body for Implementation on Article 9.5

Meanwhile, the SBI convened its final informal consultations on Article 9.5 on 8 May where Parties agreed on a revised iteration of the informal note prepared by the co-facilitators.

The informal consultations also discussed the draft conclusion where the mandate of Article 9.5 issue became contentious again. Developed countries led by the **US** wanted to ensure that the ‘mandate of Article 9.5’ is clearly reflected in the draft conclusions. Following were the draft conclusions proposed:

‘Draft conclusions proposed by the Chair

- 1. The SBI considered the identification of the information to be provided by Parties in accordance with Article 9, paragraph 5, of the PA.¹*
- 2. The SBI welcomed the progress made on this matter as reflected in the informal note by the co-facilitators of the informal consultations on this agenda item.²*
- 3. The SBI requested its Chair to undertake consultations with the Co-Chairs of the APA with a view to ensuring coherence and coordination.*
- 4. The SBI agreed to continue its consideration of this matter at XX session on the basis of the informal note referred to in paragraph 2 above.’*

Paragraph 3 became the bone of contention. Referring to paragraph 3 of the draft conclusion presented, **the US** asked for the paragraph to be removed.

In response, the co-facilitator said that this was a standard formulation that was being used across the subsidiary bodies dealing with agenda items related to the PAWP.

The US took the floor again to express that if that was the case, such a formulation should be reflected at a ‘broader level’ and that Parties should not be considering such language item by item. **Australia** agreed with the **US**.

South Africa for the African Group sought clarification on the references to ‘broader level’ and wanted to know where such a formulation could be raised.

Saudi Arabia intervened and said that it did not see any reason for the paragraph to be deleted and objected to the **US** proposal.

Ecuador for the **LMDC** said that it was standard language and that it did not want to get rid of the paragraph from the draft conclusion.

Switzerland said it did not ‘care’ about whether the paragraph was included or not, and that there is usually some language on interlinkages in the APA cover decision.

At this point the co-facilitator intervened to say that the draft conclusions would be left as is without any changes.

The EU came in to say that as long as the text applied to all the PA items, they would be okay, but if the language was in reference to some special consultations, that would be problematic.

The US took the floor and made a proposal. It proposed that paragraph 3 read: *‘The SBI requested its Chair to undertake consultations with the Co-Chairs of the APA with a view to ensuring coherence and coordination with regards to the mandate in paragraph 5 of 12/CP.23 and paragraph 55 of Decision 1/CP.21.’*

(The references to the mandate were already in a footnote to paragraph 1. The footnote reads: *‘In accordance with decision 12/CP.23, paragraph 5. See also decision 1/CP.21, paragraph 55.’*) The **US** clarified that the proposal was just so that Parties are clear on the mandate.

(Para 5 of decision 12/CP.23 reads: *‘Requests the SBI to consider, beginning ... (April-May 2018) and at any subsequent sessions on the PAWP, identification of the information to be provided by Parties in accordance with Article 9, paragraph 5, of the PA, and to forward the outcomes to the Conference of the Parties (COP) at its twenty-fourth session (December 2018) with a view to the COP providing a recommendation for consideration and adoption by the CMA 1 session (December 2018).’*

Saudi Arabia intervened to say that Parties were getting too prescriptive and added that the purpose of the paragraph was only to send a message to the SBI chair to coordinate with the APA co-chairs on the matter.

In response, the co-facilitator said that the language proposed by the **US** had already been captured in the informal note and that they should just reference paragraph 1 in paragraph 3.

Parties accepted the proposal and the paragraph finally read:

‘3. The SBI requested its Chair to undertake consultations with the Co-Chairs of the APA with a view to ensuring coherence and coordination with regards to the matter referred to in paragraph 1 above.’

On paragraph 4, the co-facilitators said that the XX would be filled up after the UNFCCC bureau decides on the additional session. (An additional session is being planned in Bangkok in September 2018.)

Lively Exchange over Common Time Frames for NDCs

Bonn, 10 May (Perna Bomzan) – Parties at informal consultations under the UNFCCC’s Subsidiary Body for Implementation (SBI) agreed to draft conclusions of a procedural nature on common time frames for nationally determined contributions (NDCs) referred to in Article 4.10 of the Paris Agreement (PA) on 7 May. The draft conclusions are expected to be adopted at the closing plenary of the SBI to be held on 10 May, the final day of the climate talks in Bonn, Germany, which began on 30 April.

(Article 4.10 of the PA says ‘the Conference of the Parties serving as the meeting of the Parties to this Agreement [CMA] shall consider common time frames for nationally determined contributions at its first session’.)

(Most of the Parties to the PA have communicated an NDC which is of a 10-year time frame, with only the United States and the Marshall Islands having a five-year time frame. The NDCs are expected to be implemented from 2021.)

Informal consultations on this matter began on 1 May and concluded on 7 May. At the first meeting of the informal consultations, **South Africa** said that paragraphs 23-24 of decision 1/CP.21 (the Paris decision) clearly address the different time frames of NDCs up to 2030 and that common time frames will be applicable post-2030.

(Paragraph 23 of decision 1/CP.21 which adopted the PA ‘requests those Parties whose intended NDC ... contains a time frame up to 2025 to communicate by 2020 a new NDC contribution and to do so every five years thereafter pursuant to Article 4.9 of the PA’.)

(Paragraph 24 ‘also requests those Parties whose intended NDC... contains a time frame up to 2030 to communicate or update by 2020 these contributions and to do so every five years thereafter pursuant to Article 4.9....’.)

(Article 4.9 of the PA says ‘each Party shall communicate a nationally determined contribution

every five years in accordance with decision 1/CP.21 and any relevant decisions of the CMA and be informed by the outcomes of the global stocktake referred to in Article 14’.)

China for the **Like-Minded Developing Countries (LMDC)** said that it is pragmatic to focus on the only key issue of time frame, whether five or 10 years, with the time of applicability being the first day of 2030 and last day of 2035. The focus should remain on the issue of either a five- or 10-year target by weighing the advantages and disadvantages and avoid introduction of other issues such as scope of NDCs which are being dealt with by the Ad Hoc Working Group on the PA (APA). It further recalled the history of the evolution of the issue of time frame from way back in 2013 in Warsaw which required Parties to forward their intended NDCs (known then as INDCs) before the PA. The debate then, explained China, was whether ‘to put numbers before the text (referring to the PA) or text before the numbers’ approach and how the first approach was agreed to prior to the Paris Conference. It clarified that was the reason for this inconsistency of 2025 or 2030 and that the issue has been resolved by paragraphs 23-24 of the Paris decision.

Columbia for the **Independent Alliance of Latin America and the Caribbean (AILAC)** said that the Paris architecture is based on cycles, and so it was important to have agreement on common time frames for NDCs. It also spoke of elements like tracking progress of the NDCs, increasing ambition following the global stocktake designed for every five years. It added that it was not useful to have a 30-year time frame which is a long time for implementation and that ‘each NDC should be a step towards the long-term goal’.

Zimbabwe for the **African Group** said that it supported ‘single common time frames’, applicable to post-2030 NDCs which will allow Parties to synchronise and that the NDCs should be communicated every five years.

Ethiopia for the **Least Developed Countries (LDCs)** said that the common time frame is ‘related to the global stocktake’ and that it supported a ‘five+five year cycle’, referring to the flexibility of submitting one or two sets of five-year NDCs, to be operationalised by 2030.

New Zealand said that the common time frame is useful and that it supported either a ‘five+five year’ or ‘five+ten’ cycle.

Brazil speaking for **Argentina, Brazil and Uruguay** said that the common time frames should be applied to future NDCs keeping paragraphs 23-24 of the Paris decision in mind. The ‘link between global stocktake and NDCs’ needs to be maintained. It said the five-year cycle would be between the end-points of the two NDCs as mentioned by China, agreeing that tracking progress should be separate. It further asked how the five+five year cycle would be different from the old idea of ‘mid-term review’ which was dismissed in Paris.

Norway said it would be ‘tough’ to have common time frames since ‘economies are different’. It suggested that there could be ‘different time frames’ since ‘economic instruments’ take a long way to work. It further said that raising ambition in the reducing of emissions may take long, and therefore there needs to be a longer time frame, and all in all, there are ‘good economic reasons’.

Bangladesh said it supported a five-year cycle with a single common time frame applicable from 2030 onwards. It said that ‘both Articles 4.9 and 4.10 should be read in the same manner’.

Switzerland for the **Environmental Integrity Group (EIG)** said that common time frames are important to ‘raise ambition’.

Japan said that it supported a ‘single time frame applicable to all Parties’ and that 10 years would be ‘more effective’.

Canada said that it supported China on the post-2030 applicability and that ‘we don’t need to negotiate the rationale but just the time frame of five or ten years’.

Co-facilitators **Marianne Karlsen (Norway)** and **George Wamukoya (Kenya)** proposed to present the draft conclusions for further consideration of Parties at the next meeting of the informal consultation based on what was agreed in the PA, the time of applicability as well as the advantages and disadvantages of options for common time frames.

At its second meeting on 4 May, the co-facilitators presented the draft conclusions for consideration by Parties.

South Africa suggested consideration of its submitted proposal to be incorporated into the draft conclusions. (The South African proposal reads, ‘The SBI agreed that common time frames shall be applicable from 2031 onwards, to be communicated in 2025’ and ‘The SBI took note of options reflecting various views of Parties relating to:

- a. The duration for a single common time frame or period of implementation of a NDC, either five or ten years;
- b. Whether one or two NDCs would be communicated at a time;
- c. Combinations of the above (five, five+five, 10, etc.).’

While there was general agreement by Parties to the South African proposal on the way forward, nonetheless, a lot of comments followed on improving the text as well as in the sequencing of the proposed paragraphs. Discussions also followed on whether the South African proposal be captured in an informal note or as a conference room paper (CRP), with agreement for it to be a CRP. Parties also agreed that further submissions could be received.

During the ongoing discussions, the co-facilitators then consulted the SBI chair and received an additional one-hour session to adopt the draft conclusions. On 7 May, Parties met to consider and adopt the draft conclusions. A CRP was also submitted by Colombia.

The draft conclusions which was adopted as a procedural decision reads as follows:

‘1. The SBI continued its consideration of common time frames for NDCs referred to in Article 4.10 of the PA.

2. The SBI took note of the request for it to report back thereon to the CMA at its first session.

3. The SBI welcomed the submissions from Parties received.... [A footnote to the submissions of Parties is also indicated in the conclusions.]

4. The SBI took note of the rich and constructive exchange among Parties on relevant issues related to this agenda item, including but not limited to the time of applicability of, usefulness of and options for common time frames, as well as the advantages and disadvantages of those options.

5. The SBI agreed to continue its consideration of this matter at xx session with a view to making a recommendation thereon for consideration and adoption by the CMA.’

(XX refers to the additional meeting to be held in Bangkok in September.)

Edited by Meena Raman.

Paris Work Programme to Be Coherent and Balanced

14 May, Bonn (TWN) – The UNFCCC’s Ad Hoc Working Group on the Paris Agreement (APA), one of the main bodies responsible for enabling the implementation of the Paris Agreement (PA), adopted [conclusions](#) at its closing plenary on 10 May, the last day of the climate talks in Bonn, Germany.

The conclusions reiterated the need to progress on all items of the Paris Agreement Work Programme (PAWP) ‘in a coherent and balanced manner’ and ensure coordination between the APA and the other two subsidiary bodies of the UNFCCC, the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) (which are also responsible for carrying out tasks related to the PAWP).

Throughout the Bonn talks, which began on 30 April, developing countries emphasised the need for balanced progress on all the elements of the PAWP (*See TWN Updates 2 and 7 in this regard*). They were especially concerned that adaptation and finance-related issues were lagging behind.

(While developed countries were primarily preoccupied with progress on the mitigation contributions of Parties, the transparency framework and market mechanisms, developing countries put emphasis on finance, technology transfer and capacity-building issues, as well as on adaptation. Some countries also stressed the need to advance work on ‘loss and damage’.)

(The Bonn talks also revealed that an unsettled issue is, what exactly is the PAWP and what are decisions that must be adopted at the first meeting of the Conference of Parties to the PA [CMA 1] to be held in Katowice, Poland in December this year. The **G77** and **China** had called for ‘a holistic package approach’ and this must include aspects related to ‘modalities for biennially communicating finance information on the provision of public financial re-

sources to developing countries’ in accordance with Article 9.5 of the PA. Developed countries on the other hand have argued that there is no mandate from Paris for any modality in this regard.)

In the conclusions adopted by the APA the co-chairs were requested ‘to coordinate closely with the Chairs of the SBSTA and the SBI to work towards a comparable level of progress and preparedness with respect to all PAWP items’. The APA co-chairs are **Sara Bashaan (Saudi Arabia)** and **Joe Tyndall (New Zealand)**.

In addition, the APA requested its co-chairs to consider a ‘joint-reflections note’ with the chairs of the SBI and SBSTA, addressing progress made on the PAWP elements, and which would also propose ways forward. (So far, the practice of issuing a ‘reflections note’ was limited to only the APA co-chairs.). According to the conclusions, the joint-reflections note should be available by mid-August 2018.

A key agreement reached by the APA was for the co-chairs to prepare, by 1 August 2018, ‘tools’ that ‘are additional to and based on the informal notes’ towards the ‘development of an agreed basis for negotiations’.

(The APA conclusions contain, in an addendum, all the [informal notes](#) prepared by co-facilitators on the various agenda items on nationally determined contributions (NDCs), adaptation communication, transparency framework for action and support, global stocktake, compliance, Adaptation Fund and further matters related to implementation of the PA. Work on these matters happened in informal consultations during the Bonn session, where Parties further engaged with each other and in clarifying options and their understanding of issues, so as to enable the next steps towards producing a text for the basis of negotiations.)

Before agreement was reached on the additional ‘tools’ to be prepared, divergent views were expressed on what mandate should be given to the co-chairs to facilitate deliberations for the forthcoming negotiations.

In the first iteration of the APA’s draft conclusions, the co-chairs had proposed three options on how to advance further work. Option 1 proposed that the co-chairs would ‘streamline the outcome of the APA at this session’; option 2 proposed that the co-chairs would propose examples of how Parties could further progress towards the development of either a draft elements text or an agreed basis for negotiations on the outcome of the APA work, while option 3 was that the co-chairs would prepare draft elements of text on the outcome of the work of the APA.

Parties expressed a range of views. The **Umbrella Group (UG)** led by **Australia** wanted the co-chairs to further develop ‘materials’ and emphasised the need to continue work based on the text built at the Bonn session while the **Environment Integrity Group (EIG)**, led by **Switzerland**, wanted to give the strongest mandate to the co-chairs to do the work needed. **The European Union (EU)** said it ‘leaned towards’ option 3, which was to give the mandate to the co-chairs to draft elements of the text.

The Maldives for the **Alliance of the Small Island States (AOSIS)** said the group was ready to engage with ‘text’, which should capture all Parties’ views. **Gabon** for the **Africa Group** said it was in favour of option 2 while **Ethiopia** for the **Least Developed Countries (LDCs)** said the co-chairs should streamline the outcomes of the session and prepare an informal document in the form of ‘draft elements of text for consideration’. **Chile** for the **Independent Alliance of Latin America and the Caribbean (AILAC)** was in favour of a combination of options 1 and 3 while **Argentina, Brazil, Uruguay (ABU)**, said it preferred option 2.

Iran, for the **Like Minded Developing Countries (LMDC)**, stressed that the best approach would be to keep the process ‘Party-owned and Party-driven’ and for the co-chairs to provide Parties their reflections on how the discussions had been at the Bonn session, and what needs to be done to move the process forward in a balanced and comprehensive manner, ‘while keeping the informal notes as is at the conclusion of our session here in Bonn’.

It added that at the next session, ‘we can restart our negotiations on the various agenda items on the basis of these informal notes’, adding further that the co-chairs together with the co-facilitators could produce ‘additional tools that Parties can use

to keep our process moving forward while ensuring that the process remains Party-owned and Party-driven’.

Iran said further that any tool that sought to streamline the contents of the informal notes should ensure that all options expressed by Parties are kept and not removed and the streamlining should be mechanical and focused on removing duplicative texts. ‘There should not be any insertion of views, perspectives, or options, nor any rewording of such, that otherwise were not previously in the informal notes. If the level of maturity reflected in the informal note for an agenda item shows a delicate balance achieved that any streamlining might upset, such streamlining should not be done. Any streamlined text or document that might be produced inter-sessionally under option 1 should not be taken to mean as becoming automatically the basis for negotiations, unless Parties engaged in that particular agenda item agree that it can be so.’

After further deliberations, the APA decided that its co-chairs would prepare, by 1 August 2018, ‘tools that are additional to and based on the informal notes...including proposals for streamlining the outcome of the APA at this session and examples of how Parties could further progress towards the development of an agreed basis for negotiations, taking account of the level of maturity and delicate balance achieved to date for individual items. The streamlining should not imply the insertion or deletion of substantive concepts and textual narratives.’

The APA also agreed on conducting a one-day roundtable focused on ‘substantive linkages’ and noted the utility of ‘expanding the focus of the roundtable to address linkages to the PAWP items outside the APA mandate, and requested its Co-chairs to consult on this with the Chairs of the SBSTA and the SBI’. The roundtable is open to Parties only.

Another issue that got considerable attention was the issue of submissions. In the first iteration of the draft conclusions, the APA had invited Parties to submit their views on areas of work of the APA which need particular attention in the light of the progress made at the Bonn session to facilitate further work.

However, several groups of Parties, including the **UG**, **EIG** and **EU**, said there was no need for further submissions from Parties. Following the exchange, the co-chairs proposed removing the paragraph on submissions. Objecting to the removal of the paragraph, **Gabon** for the **African Group** stressed that Parties had the right to submit and if a Party chose to submit proposals, these should be attached to the informal notes of the May session and

included in the work for the forthcoming session.

(During the Bonn climate talks, developing countries had put forth submissions in the form of conference room papers on matters related to finance but developed countries refused to consider these as the basis for discussions. See TWN Update 5 for more on the matter.)

A long discussion ensued but developed countries maintained their objection to submissions. After several rounds of language formulations, the APA agreed that ‘...at this stage in the negotiations it will

be important to ensure all options identified by Parties remain on the table, recalling the right of any Party to make submissions to be considered under the relevant agenda items’.

The next stop to advance further work in the run-up to Poland would be Bangkok, where Parties agreed to an additional negotiating session to be held from 3-8 September, to advance negotiations on the PAWP, which will see the resumption of the meetings of the APA, the SBI and the SBSTA.

(Edited by Meena Raman)

Expert Dialogue Underscores Finance Gap to Address Climate-induced 'Loss and Damage'

Bonn, 14 May (Harjeet Singh) – The Suva Expert Dialogue on 'Loss and Damage', mandated by last year's climate change summit, concluded on 3 May in Bonn, Germany, during the recent climate talks under the UNFCCC.

Developing countries and experts from non-state actors and civil society underscored the need to address the finance gap for loss and damage suffered by developing countries.

The six-hour dialogue spread over two days provided the opportunity to Parties and experts from non-state actors to share their experience and concerns.

Two parallel discussions were organised on the first day on (i) risk assessment and risk transfer; and (ii) risk reduction and risk attention.

Several observers were of the view that the format of the dialogue was not very helpful as the discussions needed to go beyond the risk framing to keep the focus on the mobilisation of support, particularly on finance.

On the second day, two roundtable discussions, namely: managing risks comprehensively - extreme weather events and slow onset climatic processes were held.

While many developing countries voiced their concerns, with suggestions for ways to address loss and damage, developed countries made little contribution to the dialogue.

Timor-Leste underlined the fact that loss and damage is beyond adaptation and stressed that funding is a big gap that needs to be addressed.

The Philippines highlighted the role of countries being central in choosing the approaches and enabling national policies.

The Seychelles shared how developing countries are already under debt and lack of funding for addressing loss and damage will force them to take risks which will affect communities in the long run.

Egypt warned that residual damages will hamper Africa's development and loss and damage costs

will double adaptation costs in 2030-50 so there is a need to scale up finance for addressing it.

Saint Lucia emphasised that as we discuss insurance as a 'silver bullet', climate risks are intensifying and we need to tailor responses and distinguish between different types of impacts. There are tools other than insurance that need to be considered, especially in the case of high frequency events, it added.

Non-state actors and civil society who also spoke at the dialogue included the International Federation of Red Cross and Red Crescent Societies, Oxfam, CARE, WWF, Overseas Development Institute, ActionAid, ICLEI (Local Governments for Sustainability) and Bangladesh Center for Advanced Studies (BCAS).

Below are a few highlights from the interventions at the dialogue:

1. Finance: There is a huge finance gap in addressing loss and damage due to the inaction of the Executive Committee (ExCom) to the Warsaw International Mechanism (WIM) so far. (According to observers, despite the body having been in existence for nearly five years, developed countries did not allow it to make any meaningful progress on providing finance to developing countries in addressing loss and damage.)

Civil society experts called for the provision of at least US\$50 billion per year by 2022 for loss and damage, which they said must be over and above the annual target of US\$100 billion a year for climate finance.

Timor-Leste suggested adopting a similar approach as was done in the case of the National Adaptation Programmes of Action (NAPAs) and National Adaptation Plans (NAPs) through the Green Climate Fund (GCF), with guidance from the ExCom of the WIM.

2. Financial instruments beyond insurance: At the dialogue, developed countries could not overcome their obsession with insurance. **Germany** took

most of the time among developed countries (while the **United Kingdom, Spain** and the **European Union** made very brief interventions only during the parallel sessions), hammering how insurance works in most situations and has shown great results. One representative from the German government's international cooperation arm (GIZ) went to the extent of suggesting insurance as a 'magic tool'.

Developing countries and non-state actors alike debunked the claim, saying that insurance is not a panacea and has several limitations.

(According to observers who have been following the ExCom meetings, it is over-enthusiasm of developed countries towards insurance that did not let the Committee assess and develop other financial instruments, which are urgently required to deal with extreme events and particularly slow onset processes.)

During the dialogue, developing country governments also stressed that where insurance can help address risks, it must be part of a comprehensive risk management system.

Honduras and other countries urged that the insurance premiums must be subsidised and funded from the global funds to avoid transferring the burden to poor people. **Tuvalu** shared how a few Pacific island states have already set up vulnerability funds to help the affected communities. Such financial instruments need to be studied so that they then can be scaled up and replicated appropriately in relevant contexts. There were also calls for a Global Solidarity Fund to be set up to finance interventions to address climate impacts, including planned relocation in case of permanent and irreversible loss and damage.

3. Sources: (According to observers, the issue of sources of funds has been the most neglected area of work. The ExCom has not taken any substantive action so far to identify the potential sources of funds for addressing loss and damage.)

During the dialogue, there were calls for public financing from developed countries to be one of the main sources, while Parties such as **the Seychelles** and some non-state actors advocated for the need to look for innovative sources such as from financial transaction taxes, climate damages tax, climate levies in sectors that are most damaging, adopting the 'polluter pays' principle.

(Just before the dialogue, an opinion piece by the ministers from **Dominica, Bangladesh** and **Vanuatu** along with the Ambassador from **the Seychelles** was published by a media agency, urging that the 'resources to offset climate-related losses and damages need to be scaled up and the perpetrators, not the victims, must pay'.)

(At the 23rd meeting of the UNFCCC's Conference of Parties [COP23], Parties had requested

the Secretariat, under the guidance of the ExCom of the WIM and the chair of the Subsidiary Body for Implementation (SBI), to organise an expert dialogue to explore a wide range of information, inputs and views on ways for facilitating the mobilisation and securing of expertise, and enhancement of support, including finance, technology and capacity-building, for averting, minimising and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, with a view to informing the preparation of the technical paper (Decision 4/CP.22). The technical paper will serve as an input to the review of the WIM scheduled to take place at COP 25 in 2019. The technical paper to be prepared by June 2019 will elaborate on:

(i) sources of financial support, as provided through the Financial Mechanism, for addressing loss and damage as described in relevant decisions, as well as modalities for accessing such support; and

(ii) finance available for addressing loss and damage as described in relevant decisions, outside the Financial Mechanism, as well as the modalities for accessing it.)

(According to sources, the need for this dialogue arose as the ExCom to the WIM had failed to deliver on its third function, namely 'enhancing action and support'.)

Next steps

The Secretariat has been requested by COP 23 to prepare a report on the Suva Expert Dialogue for consideration by the ExCom at its second meeting in the week of 17 September 2018.

Before the next ExCom September meeting, according to observers, it will be important for Parties to take up these issues at the UNFCCC's 2018 Forum of the Standing Committee on Finance [SCF] that will be organised on 5-6 July in Songdo, in the Republic of Korea. The topic of this year's forum, '*The Climate Finance Architecture: Enhancing collaboration, seizing opportunities*', provides numerous opportunities to focus on the need for identification and development of new financial instruments for addressing loss and damage as well as mapping various sources of finance.

These discussions as well as the report of the dialogue will inform the discussions around scoping the technical paper (as mentioned above) on the sources of financial support, as provided through and outside the UNFCCC's Financial Mechanism, for addressing loss and damage, as well as modalities for accessing such support.

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Developing Countries Raise Key Concerns at Subsidiary Body for Implementation

Kathmandu, 15 May (Perna Bomzan) – Developing countries raised major concerns over several issues at the closing plenary of the forty-eighth session of the UNFCCC's Subsidiary Body for Implementation (SBI 48), which adjourned on 10 May, after two weeks' intersession climate talks in Bonn, Germany.

The other two UNFCCC bodies, the Subsidiary Body for Scientific and Technological Advice (SBSTA 48) and the Ad Hoc Working Group on the Paris Agreement (APA), also had their closing session on the same day, and will meet again in Bangkok from 3-8 in September this year, to resume work on the Paris Agreement Work Programme (PAWP).

(Decisions on the modalities, procedures and guidelines for the implementation of the Paris Agreement [which is PAWP] are expected to be adopted at the 24th meeting of the Conference of Parties to the UNFCCC (COP 24) and the first session of the Conference of Parties serving as the meeting of the Parties to the PA [CMA], scheduled to take place at the end of the year in Katowice, Poland.)

The **SBI chair, Emmanuel Dlamini (Swaziland)**, at the closing plenary session, stressed several times that 'success in Katowice starts here and now and success at the SBI 48 will be defined by progress on the two SBI workstreams'.

(Workstream one deals with the PAWP-related matters and workstream two deals with the broader implementation issues under the UNFCCC and its Kyoto Protocol.)

The SBI adopted many conclusions that arose from the discussions under the various agenda items. Many developing groupings and countries made interventions on several key issues of concern to them, during the adoption of draft conclusions that arose under the SBI's work in Bonn.

Two agenda items under workstream one that drew much attention were items relating to the pub-

lic registry for nationally determined contributions (NDCs) and the registry for adaptation communications relating to the PA, which were agenda items 6 and 7 respectively of the SBI. Several developing country groupings wanted these two agenda items to be dealt with jointly, instead of having separate discussions as these items were intricately linked. Developed countries and some developing countries did not agree to this.

(Some developing countries are of the view that there is no need to have two separate registries, arguing that NDCs comprise both mitigation and adaptation, while others are of the view that the features of the registries for NDCs and adaptation communications are different. This issue is linked to intense discussions taking place under the APA on the scope of NDCs, whether they relate to only mitigation or whether they also include adaptation as well as the means of implementation.)

Saudi Arabia for the **Arab Group** said that it had always wanted these two agenda items to be considered jointly and requested that this be considered in the coming session in Bangkok.

China for the **Like-Minded Developing Countries (LMDC)** had similar views, saying that the proposal for 'joint consultations (on the two agenda items) is quite reasonable' given that '70 to 75% of the informal notes (from the discussions under the agenda items) across the two items are almost identical' and therefore, there is a need to deal with 'duplications and redundancies' in a 'joint manner'. The purpose is not to 'prolong' the discussion but to 'accelerate' the pace of work by addressing the problem of repetition and 'allowing more time to discuss the differences between the two items', added China further. In this regard, it also requested the SBI chair 'to consider the possibility of joint consultations during the Bangkok meeting'.

South Africa for the **African Group** disagreed and said that the two registries have ‘very distinguished’ features and ‘in our view, there are no similarities that call for joint consultations’. It said, however, it could explore and exchange views on how to ‘harness the interlinkages and synergies’.

Switzerland for the **Environmental Integrity Group (EIG)** said that the issue of the registry ‘is not a complex issue’ but a ‘political question’ which should be given ‘minimal time’ in Bangkok since the ‘political issues’ will only be able to be resolved in Poland.

Japan said that it was ‘not in a position to support’ a joint consultation as the two agenda items deal with ‘two different subjects’. The **European Union (EU)** said that ‘we should continue to consider them according to their respective mandates’.

Agreeing with the Arab Group and the LMDC, **India** said that the request made was ‘very reasonable and justified’ for an ‘efficient delivery of the entire PAWP’. It further said that ‘it is good to make efforts to bring about synergy and avoid duplication’ since both items have ‘similar focus’. It stressed that ‘all items which have a bearing on the PAWP’ need ‘clarity’ on how things are ‘progressing’, and therefore, such conversations will help ‘in advancing our work and arriving at a package that we are all looking forward to in Katowice’.

Australia said that ‘respecting mandates’ is its ‘guiding light’ and the two agenda items are ‘separate mandated areas of work and we would like to keep it that way’.

The Maldives for the **Alliance of Small Island States (AOSIS)** said that ‘at this stage, we do not want to see a joint consultation’ and that in its perspective, ‘it will not advance work’.

China, for the **LMDC**, took the floor again and underscored that although Parties have different views, ‘we have a clear understanding i.e. the technical connections and the difference between the two items’. It added that the proposal of the joint consultation is ‘not to prolong the discussion but to deal with the synergies and linkages without prejudice to the final outcome on these two issues, whether (there should be) one registry or two registries’. ‘It is just a technical solution to promote work under these two agenda items,’ stressed China, adding that it ‘was willing to work constructively, collectively and innovatively to address the connection and difference between the two items’ towards a successful outcome in Katowice.

Iran said that ‘a joint session could really help’ given the ‘identical’ and ‘common’ areas that are ‘really interlinked together’. It further hoped that ‘we could have a way out of this situation’.

Saudi Arabia also took the floor again and stressed that ‘it’s not our intention to have a decision here in this plenary’ but putting in ‘a proposal to reconsider in the coming session’. It said that the request is not to ‘merge’ the two agenda items but ‘simply to have a joint consultation on this issue’ to minimise duplication and ensure coherence. It further said that such an approach has been taken before in relation to other agenda items under the various bodies.

Developing countries also had strong reactions on five agenda items under the non-PAWP-related matters under workstream two which are reflected below.

Reports from Annex 1 Parties to the Convention

In relation to item 3 on ‘reporting from and review of Parties included in Annex I to the Convention’ and sub-item 3(b), ‘compilation and synthesis of the second biennial reports from Parties included in Annex I to the Convention’, the informal consultations at this session could not arrive at any conclusions. Further, in accordance with Rule 10(c) and Rule 16 of the UNFCCC’s draft Rules of Procedure, the agenda items were decided to be included in the provisional agenda of the next SBI session (SBI49) in December.

(Rule 16 of the Rules of Procedure states that ‘Any item of the agenda of an ordinary session, consideration of which has not been completed at the session, shall be included automatically in the agenda of the next ordinary session, unless otherwise decided by the COP.’)

Gabon on behalf of the **African Group** expressed ‘its concern, first, on the use of rule 16’ and ‘second, on the inability of taking stock of what is being provided by Annex I countries’. ‘We believe that it is a worrisome issue’ and Parties need to have ‘deeper discussions’ on what is happening, adding that the process ‘does not really take us forward or help us under the discussions that we are having under the transparency framework under the PA’.

It also highlighted that ‘five Annex I countries’ have ‘not provided their national communications’ or their biennial reports and that ‘they also constitute substantial amount of emissions which is an issue that we really need to consider further’. It stressed further its concern over the use of Rule 16 to ‘stop progress or even stop any conclusions coming out of the agenda items’, and cautioned over the expanded use of this rule as ‘this might have implications on other agenda items’.

Consultative Group of Experts on national communications

On agenda item 4(b) on the ‘review of the terms of reference of the Consultative Group of Experts [CGE] on national communications [NCs] from Parties not included in Annex I to the Convention’, no substantive conclusions were reached in this session.

(As the UNFCCC Secretariat notes on its website, ‘in order to improve NCs and the Biennial Update Reports [BURs] from developing country Parties through technical advice and support, in 1999 the COP established the CGE’. The COP, by decision [19/CP.19](#), continued the CGE for five years, from 2014-18. This group is the key technical support element under the Convention to assist developing country Parties in meeting their reporting obligations.)

Egypt for the G77 and China said that the Group ‘noted with much concern that no substantive conclusions were made on the work of the CGE’ considering that the term of CGE ends in December 2018 and that the work of the body ‘may be suspended’ if no concrete decision is adopted by the end of the year. ‘We see the CGE’s role as extremely important as they support the non-Annex I countries on reporting their NCs and BURs in the context of pre-2020 MRV (measurement, reporting and verification) arrangements under the Convention.’

The G77 stressed that it was ‘disappointed that some Parties have not shown enough willingness to continue the CGE’s work after 2020, which will bring a great deal of uncertainty to this body’s future and will definitely undermine its supporting role for developing countries’. The Group further emphasised ‘the importance of fulfilling our mandate to revise the terms of reference of the CGE by the end of this year to ensure continued support for developing countries’.

It added further that ‘considering the close relationship between the APA transparency agenda and the SBI agenda items on MRV arrangements under the Convention, the G77 and China would like to request the close coordination among SB Chairs and the APA Co-chairs on the selection of the Co-facilitators on those agenda items’. The G77 said further that ‘the renewal of the mandate of the CGE is vital to build trust between Parties as we finalise the new PA transparency system. For developing countries, capacity-building for reporting is part of the package in Katowice.’

Gabon for the African Group expressed ‘deep disappointment for not reaching a concrete conclusion to extend the mandate of the CGE’. ‘We note with concern that some Parties are not willing to

support the continuation of the work of the CGE after 2020. For the African countries, capacity-building for transparency is extremely important and we see the CGE playing a vital role for the enhanced transparency framework under the PA. We believe and expect that there will be a concrete and a positive outcome on this issue in Katowice.’

Saudi Arabia for the Arab Group also ‘noticed with great concern that no substantive conclusions were made on the work of the CGE’ and ‘we are facing the risk that the CGE work may be suspended if no decision will be adopted at the end of 2018.’ It also believed that ‘it is critical for the CGE to continue its support for developing countries in implementing the transparency framework and its related capacities under the PA. We also see close coordination between the SB Chairs and APA Co-chairs on those agenda items would be very important. Therefore, we would like to highlight the urgency for fulfilling our mandate of the CGE this year to ensure continued support for developing countries in this regard.’

China for the LMDC also expressed its disappointment over the ‘failure’ in reaching any conclusions on this matter, which it said was ‘vital to support pre-2020 work’ as well towards reaching ‘balanced’ outcomes in Katowice.

India echoed similar sentiments and urged all Parties to reconsider the matter and ‘extend the mandate (of the CGE) by a reasonable period of time to ensure smooth transition for the transparency framework which we are currently discussing (under the PA)’. It pointed out that Article 13(3) of the PA ‘very clearly mentions that the transparency framework shall build on and enhance the transparency arrangements under the Convention’ and that the ‘extension of this mandate for a future period’ is needed ‘to ensure that the capabilities and requirements of developing countries for the transparency framework are met’.

Brazil speaking for Argentina, Brazil and Uruguay also expressed deep concerns and said that the ‘right political signal’ should be given and that ‘building trust in this process’ requires ‘the renewal of mandate of the CGE’ as Parties finalise work on the new PA transparency framework under the APA.

Iran said that since all pre-2020 transparency-related items were not advanced at the Bonn session, it suggested that these items should be dealt with together with the post-2020 transparency framework ‘as a package’ in the future sessions and should ‘move in harmony’ together. **Bangladesh** echoed similar sentiments, stressing the importance of the CGE to developing countries.

Provision of finance

On agenda item 4(c) on the ‘provision of financial and technical support’, **Egypt**, speaking for **the G77 and China**, took the floor to express concern and regret that ‘some developing countries are still unable to access the financial and technical support which they are undeniably entitled to’ and ‘the lack of response from the institutions concerned to the request for support continues to cause much concern’. The G77 said that it had ‘every intention to continue to raise this issue until we reach a satisfactory conclusion for it’.

(The G77 was referring to the Global Environment Facility [GEF] where support has been denied to some developing countries such as Palestine.)

Change in UNFCCC logo

In the consideration of agenda item 21 on ‘administrative, financial and institutional matters’, **Gabon** on behalf of the **African Group** said that it noticed that there has been a change in the logo of the Conference as the banner says ‘United Nations Climate Change’. It highlighted that ‘the official name of this institution is the UN Framework Convention on Climate Change and we expect that all documents that will be coming out will still keep the official name’, reiterating that ‘the official name stays the same’.

(In the corridors of the talks, several developing country Parties and observers who spoke to TWN noted subtle changes both to the logo on the website

of the UNFCCC Secretariat and on the banners in the plenary halls, where a ‘re-branding exercise’ seems to have taken place, with the UNFCCC logo being replaced with ‘UN Climate Change’. Some wondered if this was an effort to forget the Convention.)

Matters relating to Least Developed Countries (LDCs)

On agenda item 12 as regards ‘matters relating to the least developed countries’, **Timor Leste** said that this was a ‘very important agenda item’ for LDCs and expressed that the ‘LDC Fund (LDCF) is almost not enough for addressing our national adaptation programmes of action (NAPA) priorities and even the national adaptation plans (NAPs) formulation’, referring to the national adaptation programmes of action and national adaptation plans.

It added that the LDCs ‘have been struggling very much in developing proposals and also in submitting our proposal to get support from the LDCF’, adding that ‘since financial availability under this financial mechanism is not enough, we do not have enough ... to address our NAP formulation’. It called on developed country Parties to ‘provide further support for the LDCF’. Timor Leste also said that it had submitted a proposal to get support for NAP formulation but ‘it has been there for quite a long time because of financial constraints’.

The next meeting of the SBI in relation to the PAWP will take place in Bangkok, while other matters related to the non-PAWP work will be taken up in Poland end of the year.

Lively Exchange of Views at Closing of SBSTA

Kathmandu, 16 May (Prerna Bomzan): The forty-eighth session of the UNFCCC's Subsidiary Body for Scientific and Technological Advice (SBSTA 48) adjourned its meeting on 10 May, after two weeks' intersession climate talks in Bonn, Germany, and saw a lively exchange of views among Parties on a host of issues, including on emissions from fuels used for international aviation and maritime transport.

Led by the **African Group**, the **Arab Group** and **India**, serious concerns were expressed at measures taken at the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation (IMO) to reduce emissions from fossil fuels, without sufficient regard for the provision of finance and technology transfer to developing countries to reduce such emissions, and without due respect for the principles and provisions of the UNFCCC. (See below for more details.)

The **SBSTA chair, Paul Watkinson (France)**, convened the closing plenary, and announced that in order to 'facilitate the timely implementation of the Paris Agreement Work Programme (PAWP)' at the 24th meeting of the Conference of Parties (COP 24), the SBSTA meeting in Bonn will be suspended to resume in Bangkok in September, to take up all items on the PAWP.

(Decisions on the modalities, procedures and guidelines for the implementation of the Paris Agreement [which is PAWP] are expected to be adopted at COP 24 and the first session of the Conference of Parties serving as the meeting of the Parties to the PA (CMA), scheduled to take place at the end of the year in Katowice, Poland.)

During the adoption of conclusions of the various agenda items under the SBSTA, several countries and groupings made interventions on three specific agenda items which are reflected below.

Emissions from fuel used for international aviation and maritime transport

On agenda item 10(c) in relation to 'emissions from fuels used for international aviation and maritime transport', the draft conclusions were prepared and proposed by the SBSTA chair **Watkinson**. He recalled that a number of Parties expressed views on this item when the SBSTA opened on the first day of the talks on 30 April, including 'one Party' (referring to the intervention by Saudi Arabia) which raised 'specific concerns' on the report from the IMO on the matter.

Gabon for the **African Group** expressed disappointment that 'no substantive' discussions took place on the reports submitted by the ICAO and the IMO. It added that while it 'respects the mandates' of these bodies, 'it is our right as Parties to comment on the reports provided by any external bodies'. It further said that although the reports included a very general section on cooperation and support provided to developing countries, they are still lacking several elements that it believed should be reflected. It stated that the Group could support the proposed draft conclusions and further suggested a 'small addition' for consideration, emphasising additional text in relation to paragraph 2, that 'builds on the existing documents, does not go into substance, does not challenge the organizations or their mandates'.

(The additional text proposed by the African Group to paragraph 2 of the draft conclusions in italics was as follows: 'The SBSTA invited the secretariats of ICAO and IMO to continue to report, at future sessions of the SBSTA, on their ongoing work on relevant issues, *including on support provided to developing countries to achieve the climate-related goals, for consideration at future sessions of the SBSTA.*')

Gabon explained that it wanted to ‘enhance’ the section that ‘highlights the support’ that has been provided or is to be provided to developing countries through the two organisations and that it deals ‘only with climate-related goals’, noting that the two reports are reporting on issues that relate to the work of the UNFCCC, ‘mainly emission reductions’. ‘We believe that future reports coming from them should have more clarity and more information that we can consider in our deliberations,’ said the African Group further.

The European Union (EU) referring to the IMO report said that although it ‘appreciates the efforts’ to find language that allows Parties to ‘more properly note the submission’, it regretted that ‘the proposed language as presented in draft decision does not achieve this’. It did not support the African Group’s proposal on the additional text, saying at this stage at the plenary, discussions should not begin on ‘substantive suggestions as to how future reports could be improved’. It however looked forward to ‘more comprehensive and informative’ reports at the next session of the SBSTA from ICAO and IMO and ‘reaching consensus’ on those submissions.

India supported the views of the African Group, saying that the issue of greenhouse gas emissions is covered under the scope of the UNFCCC and therefore, it is an ‘appropriate forum’ to discuss these issues. It expressed serious concerns over ‘the lack of opportunity to examine and discuss many of the issues in these reports for which space was requested’. It added further that there were many overlapping issues such as those related to market mechanisms under Article 6 of the Paris Agreement (PA) and that the market mechanisms were mentioned under the ICAO and in the IMO. It also said that there are issues related to technology development and transfer, finance, the application of the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC), adding that ‘therefore, the minimal proposal by the Africa Group should be accepted’.

India added further that the work of the ICAO and the IMO is ‘complementary’ (to the UNFCCC) and since they have references to the PA as well as to the principles and provisions of the Convention, there should be ‘full applicability of these principles and provisions’.

Chile for the **Independent Alliance of Latin America and the Caribbean (AILAC)** underlined the need to keep a ‘clear independence’ between the process under the ICAO and the process under the UNFCCC. ‘We cannot and must not, bring the dis-

ussion here.’ From that perspective, it found the African Group’s proposal ‘interesting’ but it could be discussed with more time in a different setting to know its ‘implications’.

The Marshall Islands welcomed the ‘historic step’ taken by the IMO in adopting its initial strategy to reduce greenhouse gas emissions from the international shipping sector. ‘The decision to set an absolute cap on emissions keeps the hope of the global trajectory of staying within the 1.5°C degree limit, alive,’ adding that the measures to implement the IMO outcome will be ‘a matter for the IMO’ and that the outcome was ‘legitimate’ receiving ‘overwhelming support’ on its adoption.

Switzerland for the **Environmental Integrity Group (EIG)** emphasised the work of the ICAO and IMO as a ‘key contribution’ to reducing global emissions. It said it was ‘committed to have an ambitious result in terms of global mitigation’, adding that ‘solutions for avoiding double counting are to be set in the guidance for Article 6 of the PA’. It did not support the text amendment by the African Group.

Australia welcomed the reports of the ICAO and IMO and said that it did not think that ‘we in the UNFCCC have the mandate to be determining the content of those reports’. It also did not agree to the suggestions made by the African Group and India.

Russia reiterated that the proposal by the African Group ‘was not’ discussed in the negotiations. It said that parallel processes taken at the ICAO and IMO must be respected but ‘we must not substitute for their work or replace them’. It stressed that it is a ‘major serious issue that requires careful discussion between experts’.

New Zealand also welcomed the reports and as regards the African Group proposal, it made clear that it could not accept proposals from the floor at this time, adding that this was ‘a conversation that has been had many times’ and there was no consensus on the matter. **Japan** also reiterated that it was not appropriate to give instructions from the UNFCCC to ‘these independent organisations’, and could not accept the proposal by the African Group.

Following the interventions, the SBSTA chair stated that since there was ‘no consensus’ on the matter, Parties will have to continue to review this issue in Poland, adding that there was ‘broader interest among many countries’ to continue discussions on this issue. He said that he would ‘make available a space during the next SBSTA session including organising a special event’ to facilitate exchange of views between Parties and ‘directly’ with the ICAO and IMO.

Gabon for the **African Group** took the floor to seek clarification on the final conclusions and **Watkinson** reiterated that ‘to be very precise, we are not adopting the conclusions and we will continue to review this during the 49th session of the SBSTA in Katowice’.

Saudi Arabia for the **Arab Group** sought clarification on whether Rule 16 of the UNFCCC’s draft Rules of Procedure was being applied in this regard. It clearly emphasised that there was no need to do anything else beyond applying the rule and there was no need ‘to invite anybody to do any workshops in the absence of us agreeing on the additional activities’.

(Rule 16 of the Rules of Procedure states that ‘Any item of the agenda of an ordinary session, consideration of which has not been completed at the session, shall be included automatically in the agenda of the next ordinary session, unless otherwise decided by the COP.’)

In response to the clarification sought by **Saudi Arabia, Watkinson** stressed that ‘internal rules’ are being applied since there was no consensus or agreement on either his proposed conclusions or the amendment text by the African Group. He said further that he made a ‘modest proposal’ for ‘an informal event’ ‘with no status whatsoever’, for a ‘place for exchange of views’ between the Parties and the two international organisations.

Saudi Arabia took the floor again seeking clarification again on whether Rule 16 was being applied, and disagreed with the chair’s proposal for an informal event, emphasising that ‘it did not have any willingness at this point of time’ to talk to ‘organisations who have their own different modalities of dealing with climate change in the absence of (applying) the principles of equity and CBDR’.

In response, the **SBSTA chair** responded that it was clear that Rule 16 applied and noting the views of Saudi Arabia, he withdrew his proposal for an informal event with the ICAO and the IMO.

Work programme under the framework for non-market approaches

On agenda item 12(c) in relation to ‘work programme under the framework for non-market approaches referred to in Article 6. 8 of the PA’, an informal document prepared by the SBSTA chair **Watkinson** containing the draft elements of the draft decision, was adopted.

(Article 6.8 of the PA states: ‘Parties recognize the importance of integrated, holistic and balanced non-market approaches being available to Parties to assist in the implementation of their na-

tionally determined contributions, in the context of sustainable development and poverty eradication, in a coordinated and effective manner, including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building, as appropriate.’)

Switzerland on behalf of the **Environmental Integrity Group (EIG)** emphasised the importance of ensuring the operationalisation of Article 6 as ‘part of the package we agree at COP 24’. It regretted that progress on this item was not at the ‘required pace’. ‘In addition, we would like to re-emphasise that equal treatment of Parties is crucial in this process so that the voice, views and concerns of all Parties are considered and that Parties feel trust and inclusiveness along the way towards COP24.’

(Switzerland was referring not only to non-market approaches but also to the other sub-articles of Article 6 which include other ‘cooperative approaches’ such as ‘internationally transferred mitigation outcomes’ [under Article 6.2] and a ‘sustainable development mechanism’ to ‘contribute to the mitigation of greenhouse gas emissions’ [under Article 6.4].)

Echoing Switzerland, **St. Lucia** on behalf of the **Alliance of Small Island States (AOSIS)** expressed concern at the ‘slow pace of progress’ and stressed that ‘we will need detailed rules under this agenda time to ensure environmental integrity, to ensure robust accounting, to deliver the required transparency and to avoid the double counting of emission reductions’. It added that rules need to be in place ‘to deliver the required share of proceeds for adaptation and operationalise the delivery of an overall mitigation in global emissions’. It further expressed disappointment for not being able to secure a ‘roundtable’ on technical papers on some ‘core issues’ in this regard.

Local communities and indigenous peoples’ platform

On agenda item 7 as regards ‘local communities and indigenous peoples’ platform’, no outcome was reached on the establishment of a facilitative working group, mandated by COP 23.

(At COP 21 (in Paris, 2015), Parties recognised the need to strengthen knowledge, technologies, practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change, and established a platform for the exchange of experiences and sharing of best practice on mitigation and adaptation in a holistic and integrated manner. COP 22 (Marrakech, 2016) agreed to adopt an incremental approach to devel-

oping the local communities and indigenous peoples' platform with a view to ensuring its effective operationalisation.)

In Bonn, apart from the informal consultations, an in-session multi-stakeholder workshop was conducted on 1 May on how to implement the functions of the platform. The issue will be further considered in SBSTA 49, based on the draft decision text proposed by the co-facilitators of the informal consultations on this agenda item.

Speaking on behalf of **the G77 and China, Egypt** regretted that 'consensus could not be reached on this crucial matter' despite 'our strong political will and constructive engagement'. It however looked forward to finalising, at COP 24, the establishment and design of a 'robust, effective and forward-looking' facilitative working group as a 'key step' to further operationalise the platform. 'A decision in Katowice will go a long way in enhancing the engagement and inclusion of the indigenous peoples and local communities in the UNFCCC process and facilitate the exchange of experiences and sharing of best practices and lessons learnt on mitigation and adaptation in a holistic and integrated manner,' it further added.

Australia said that it was 'disappointed' for not getting an outcome and looked forward to 'redouble our efforts' at the COP. **The European Union** said that it 'looked forward to taking the next important step in Katowice'.

Canada said that it was 'confident' that 'we'll get a decision in Katowice' building on the text that has been advanced in the current session, to create a new facilitative working group and the next set of activities at COP 24. It further said that it was 'pleased with the ongoing acceptance by Parties to have a self-represented indigenous person directly provide their views on the negotiations'.

China said that although consensus hasn't been reached on the draft decision, 'Parties are gradually identifying the nature, principles and responsibility of the working group' which has laid a 'good founda-

tion' for the next session to 'finalise the work'. It stated that it supports the Paris decision on the platform and further 'urged the developed countries to provide sufficient financial support' for the participation of the constituency in their work. It also believed that any activities in promoting the work of the local communities and indigenous peoples' platform should not influence the state's sovereignty and territorial integrity. China hoped to see the working group set up and to reach agreement 'on the key issues to jointly promote the establishment of the working group'.

New Zealand said that it had hoped 'it will be possible to achieve more on the platform' and further stressed that, 'in the spirit of incrementalism which was imagined for the platform, we do not linger on some of our divergences'.

Norway expressed disappointment and said that 'we'll do our best to finish the job in Katowice'. It emphasised that a 'lesson learnt' was 'to keep it simple, the more complicated the governance structure, the more politics get into setting it up'. It added that the 'indigenous peoples are not a threat to security and territorial integrity of nation states' and in order to 'complete the job in Katowice', 'simple but equitable' governance arrangements must be found.

Agreeing with the G77 and China, **Ecuador**, who had led on this agenda item within the Group, regretted that there was 'no final decision'. It emphasised that there was 'still a long way to go in order to strengthen our positions and to ensure the exchange of best practices on mitigation and adaptation from a holistic and integrated point of view'. It hoped that all Parties will step up their efforts especially those who have 'shown or demonstrated particular sensitivity'. 'We must overcome some artificial complications that sometimes appear'.

The SBSTA adjourned its meeting and will resume meeting in Bangkok in September only to deal with matters related to the PAWP and for those items which are non-PAWP, these will be taken up in Poland in December.

Parties Express Divergent Views on 'Features' of NDCs

Penang, 16 May (Meena Raman) – Parties at the recent UNFCCC climate talks held in Bonn, Germany, continued to hold divergent views over the guidance to be provided on 'features' of nationally determined contributions (NDCs) under the Paris Agreement (PA).

The issue is being addressed under what is called agenda item 3 of the Ad Hoc Working Group on the PA (APA), which was co-facilitated by **Sin Liang Cheah (Singapore)** and **Gertraud Wollansky (Austria)**.

On 5 May, during the first week of the talks, an informal consultation took place on the further guidance that needs to be developed as regards NDCs.

(The issue of what NDCs are has been the crux of the major contention, with the **Like-minded Developing Countries [LMDC]**, the **African Group** and the **Arab Group** stressing that Article 3 of the PA has defined what NDCs are and this relates to the 'full-scope' of NDCs, which include mitigation, adaptation, finance, technology-transfer and capacity-building, while developed countries view NDCs as being mitigation only. This difference of perspective is the main reason for divergent views between Parties on what guidance on the features must be developed.)

China for the LMDC said that identifying the existing features of NDCs should be sufficient in relation to the guidance to be provided. The features, it said, should include the principle of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC), in the light of different national circumstances, and it also emphasised the full scope of NDCs as reflected under Article 3 of the PA as an important feature. It also underscored the importance of Article 4.5 of the PA which recognises that support shall be provided to developing countries for the implementation of NDCs. It added further that Article 4.7 was also important

where mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans can contribute to mitigation outcomes. China said that the LMDC could not support the elaboration of new and additional features, as this could lead to a re-negotiation of the PA. Hence, it wanted the guidance to reflect existing features as contained in the PA.

The Marshall Islands for the **Alliance of Small Island States (AOSIS)** said that the mandate is for the elaboration of further guidance, adding that features describe the attributes of the NDCs. It said the guidance should respect the nationally determined nature of NDCs and must relate to what Parties expect to see in them. It said that the features of NDCs are forward looking and Parties are also required to provide information to provide clarity, transparency and understanding of NDCs, explaining the difference between the two. The guidance on the features, it said, should include quantifiability of efforts in terms of emission reductions in tonnes of carbon-dioxide equivalent and what Parties mean by highest possible ambition.

Brazil, speaking for **Argentina, Uruguay** and itself, also said that it could not agree to the exploration of new features and agreed with the LMDC in this regard. On the call for additional features by the AOSIS, it said that the issues raised can be dealt with under the information needed for clarity, transparency and understanding of the NDCs. It was also concerned about the reinterpretation of Article 4 of the PA (which deals with NDCs, including mitigation). It stressed that there was a challenge in relation to the history of the mandate for what Parties are tasked to do. It said that the mandate (for developing the guidance) is in the Paris decision (decision 1/CP.19, paragraph 26), adding that the features must be rooted in the PA and cannot be built on additional elements. It said the guidance has to be straightforward, must ensure the national determi-

nation by Parties of the NDCs and must be in accordance with the PA.

Zimbabwe for the **African Group** also said that it did not want additional features or their elaboration, apart from the existing features. It said that features are about the attributes of NDCs which are in the PA, which are in accordance with the principle of CBDR-RC. It added further that the national determination of NDCs is a key feature and NDCs are of full scope, and not just mitigation alone but must also include adaptation and the means of implementation. It said further that features can include the demonstration of differentiation and ambition. It said that other features can also include the need to prepare, communicate and implement NDCs. It added that the mitigation component of NDCs should be quantitative but for developing countries, they should include finance and technology support.

Saudi Arabia for the **Arab Group** also wanted the guidance to only focus on existing features and said that no further elaboration or new features were needed. It added that the most important feature of NDCs was its national determination as it was up to Parties to decide on its content and magnitude. It also said that NDCs should be of full scope under Article 3 of the PA. It stressed the importance of sustainable development and poverty eradication, progression and ambition on all elements, including mitigation co-benefits resulting from adaptation and economic diversification and response measures.

India, in supporting the LMDC view, said that it was 'confounded' that there were Parties who do not want to list existing features but want new features. It also said that specific emphasis on the quantifiability of NDCs undermines national determination, stressing that the latter was an important feature. It said differentiation between developed and developing countries is an integral feature, with developed countries taking the lead and developing countries needing the means of implementation as well as needing to ensure sustainable development and poverty eradication.

South Africa supporting the African Group said that the features are in Article 4 of the PA, with minimum characteristics such as NDCs being progressively more ambitious, including reflecting the CBDR principle. It said that the only feature that deserves more consideration is that of common time frames (of NDCs).

Peru for the **Independent Alliance of Latin America and the Caribbean (AILAC)** was also of the view that the features are in Article 4 and the Paris decision and said that additional features were necessary to facilitate common understanding, adding that mitigation goals should be quantifiable.

Ethiopia for the **Least Developed Countries (LDCs)** was also of the view that the features of NDCs are in the PA and there is a need to list common features such as national determination, the CBDR-RC principle, progression and ambition, economy-wide absolute reductions for developed countries and support for developing countries and further flexibilities for LDCs and Small Island States. It did not see the need for additional features.

Sri Lanka and **Iran** supported the LMDC position saying that existing features of NDCs were sufficient and there was no need for further elaboration and that they should be based on CBDR-RC and be of full scope.

Egypt said that features mean what NDCs would look like in terms of the purpose and providing further guidance means what has been agreed to so as to assist Parties in the preparation of NDCs. On the issue of the mandate, it said it was clear that 'further guidance' is 'not further features'. It also stressed that on the existing features, the national determination is the overarching character and that it should be of full scope as reflected in Article 3 and in accordance with differentiation as well as with support to developing countries for actions. It cautioned that the further elaboration of existing features or having a 'pick and choose' approach would only prolong negotiations.

Saint Lucia wanted guidance on features that are content-related as well procedural-related and said that some of the features should be mandatory.

The European Union said that guidance on features relates to mitigation NDCs. It saw merit in having guidance on new features, adding that there was no need for a listing of features from the PA, as 'this could create confusion'. It referred to features that are not explicitly in the PA, such as quantifiability of NDCs, which it said is not a new feature but is a clarification. It said the door should be open for new features after the first meeting of the Conference of Parties to the PA (CMA1) after the global stocktake (in 2023).

Canada said that many features are in Article 4 operationalised in different ways, setting expectations for Parties, with higher ambition, and progression. It said all features of the PA are important and there is a need for further guidance for clarification, adding that all NDCs should be quantifiable consistent with Article 4.4, with all moving towards economy-wide targets. They need to be capable of aggregation. The domestic mitigation measures should not have conditions and must be unconditional. Parties can say that they have no capacity or resources but they should communicate what they intend to contribute unconditionally.

Norway said that there were divergent views and the PA was ‘a good landing ground for features’. It agreed with Parties who said that Article 4 reflects the features and a short reference to the Article was sufficient, without wasting more time.

South Korea said that it was open to new features but they should not undermine national determination.

Switzerland said that the features are the characteristics of NDCs and are not rules on how NDCs look like, nor should they prejudge the level of ambition. It was open to the two approaches of having existing features as well as new features. It also

wanted the NDCs to be quantifiable, referring to the mitigation contributions, including in communicating the share of emission reductions without support.

Following the exchange, the co-facilitators said that they would prepare a ‘navigation tool’ that would not ‘prejudge the structure’ of the text and ‘the Parties’ positions’. The ‘navigation tool’ is to supplement the informal notes of the co-facilitators, and captures the various options, reflecting the divergent positions.

Discussions will continue further at the additional session in Bangkok in September this year.

Parties Discuss Technology Issues at Climate Talks

Kuala Lumpur, 17 May (TWN) – Parties discussed issues related to technology development and transfer at the 48th session of the UNFCCC’s Subsidiary Body for Implementation (SBI 48) and Subsidiary Body for Scientific and Technological Advice (SBSTA 48) at the recently concluded climate talks in Bonn, Germany.

Under the SBI, Parties deliberated on the ‘scope of and modalities for the periodic assessment of the Technology Mechanism in relation to supporting the implementation of the Paris Agreement (PA)’ and ‘the review of the effective implementation of the Climate Technology Centre and Network (CTCN)’ while under the SBSTA, the ‘technology framework under Article 10.4 of the PA’ was discussed.

(Article 10.4 of the PA provides that ‘a technology framework is hereby established to provide overarching guidance to the work of the Technology Mechanism [TM] in promoting and facilitating enhanced action on technology development and transfer in order to support the implementation of this Agreement...’. The Technology Mechanism under the UNFCCC refers to the CTCN as well as the Technology Executive Committee [TEC].)

A major sticky issue that saw divergent views between developed and developing countries was the provision of public resources to developing countries in order to enable technology transfer to take place. (See details below.)

Parties reached conclusions on all three matters, including a draft decision on the review of the effective implementation of the CTCN for adoption at the 24th meeting of the UNFCCC’s Conference of the Parties (COP24) in Katowice, Poland at year end. The draft conclusions were adopted at the closing plenary of the respective Subsidiary Bodies on 10 May, the last day of the climate talks which began on 30 April.

Below are highlights of the discussions on these matters.

Technology Framework under Article 10.4 of the PA

In the conclusions adopted, Parties welcomed ‘with appreciation the initial draft of the technology framework prepared by its Chair as requested at SBSTA 47’, and noted ‘the progress and the discussions among Parties regarding the technology framework at this session’, and ‘agreed to continue its elaboration of the technology framework, including its structure, at the second part of its 48th session using the updated draft’.

The second part of SBSTA 48 is scheduled to take place during the additional negotiating session to be held in Bangkok between 3 and 8 September to advance negotiations on the Paris Agreement Work Programme (PAWP) in the run-up to COP24.

During SBSTA 48, Parties engaged in informal consultations to further elaborate on the initial draft of the technology framework which Parties agreed was a good basis to begin negotiations. The informal consultations were co-facilitated by **Carlos Fuller (Belize)** and **Mette Moglestue (Norway)**.

The updated draft referred to the version of 8 May with the following opening notes: ‘This updated draft captures Parties’ deliberations on key themes – innovation, implementation, enabling environment and capacity-building, and support which took place at this session. Parties initiated discussion on interlinkages issues. They have yet to discuss, among others, key theme Collaboration and stakeholder engagement, principles, and structure of the technology framework. This updated draft is a work in progress and does not represent a consensus.’

From 30 April, Parties deliberated on the initial draft and added their views, focusing on the five key themes of the framework on innovation, implementation, enabling environment and capacity-building, collaboration and stakeholder engagement, and support. Divergence of views emerged between de-

veloped and developing countries on the specific matter related to finance.

India wanted elements of Article 9.5 of the PA to be reflected in the draft but this was opposed outright by **Japan**, which also questioned the insertion of additional text in the document on ‘public finance resources’, saying that ‘we do not have to limit it to public resources’ (implying the need to also include resources from other sources as well).

(Article 9.5 of the PA provides as follows: ‘*Developed country Parties shall biennially communicate indicative quantitative and qualitative information related..., as applicable, including, as available, projected levels of public financial resources to be provided to developing country Parties.*’)

In response, **India** said that most technologies reside with the private sector and not with the government and therefore, public finance is needed to facilitate the transfer, adding that the element of quantification of resources provided by Article 9.5 is to quantify them in the context of technology to be transferred. ‘Therefore, dedicated, quantified, predictable financial resources from the public sector should be made available,’ it stressed.

Parties also shared different views on linkages between the technology framework with the transparency framework and the global stocktake under the PA, given that the outcomes in those areas are not yet known. Developed countries insisted on a placeholder for the role of the TM in the technology framework to ‘avoid micro-management’ (by Parties).

Among other matters, developing countries proposed the inclusion of two new sub-sections in the technology framework as follows for the consideration of Parties:

- under the innovation theme, they wanted a sub-section on ‘increasing the effective participation of developing countries in collaborative research, development and demonstration’ and
- a new sub-section under the implementation theme on ‘assessment of technologies that are ready for transfer’.

On increasing the effective participation of developing countries in collaborative research, development and demonstration (RD&D), developing countries proposed the following text for addition:

‘(a) Enhancement of the linkage between the Financial Mechanism and the TM with regard to the support for implementation of collaborative RD&D in developing country Parties;

(b) Promotion of financial resources for innovation in developing country Parties;

(c) Development of innovative means and supports of engaging developing country Parties in innovation;

(d) Other possible ways to increase the effective participation of developing country Parties in collaborative RD&D.’

Under the section on the ‘promotion of enabling policy and finance for innovation’, among other proposals, developing countries proposed the following text: ‘Supporting countries in the development of long-term plans for economic development with detailed technological transition pathways towards the widespread uptake of innovative, climate-friendly technologies.’

In the section on ‘implementation’, in addition to other aspects, developing countries proposed a new text as follows:

‘Implementation of a successful technology transformation will require concrete targets and timelines, as well as transformation metrics, monitoring, and reporting, to provide information on progress towards these targets.’

Therefore, actions under this key theme should include the establishment of national technology targets, technology transformation metrics, as well as links to the enhanced transparency framework and global stocktake.’

Under the section on ‘enabling environment and capacity-building’, among other issues, developing countries proposed the inclusion of the following text: ‘Strengthen the enabling policy and regulatory environment for technology development and transfer to climate-resilient and low-emission development.’

As regards the new sub-section on ‘assessment of technologies that are ready to transfer’, developing countries called for the following text for inclusion: ‘Actions in this area of work could include:

- (a) Development of methodology to define technologies that are ready to transfer;
- (b) Identification of technologies that are ready to transfer;
- (c) Establishment of online platform serving as the clearing house for transferable technologies;
- (d) Development of draft workplan to promote the transfer of technologies identified as ready to transfer.’

The updated draft technology framework will be discussed further in Bangkok in September and can be expected to be contentious, with developed countries likely to oppose the proposals of developing countries.

Scope of and modalities for the periodic assessment of the Technology Mechanism

The informal consultations on this agenda were co-facilitated by **Ian Lloyd (United States)** and **Claudia Octaviano (Mexico)**.

At the opening plenary of the SBI on 30 April, a request by the **G77-China** to amend the title of the agenda item to include the element of support was accepted. The request was made in reference to paragraph 69 of decision 1/CP.21 which reads: ‘... decides to undertake a periodic assessment of the effectiveness and adequacy of the support provided to the TM in supporting the implementation of the Agreement on matters relating to technology development and transfer’.

Developing countries wanted a revisit of the scope to elaborate further on the adequacy of support while developed countries were of the view that the focus should be on the modalities for the assessment.

Developing countries also found the information note prepared by the co-facilitators (from previous sessions) to be a good basis for discussions, while developed countries disagreed.

Developed countries also felt that there was no urgency to conclude the matter by COP24.

Norway said the information note of the co-facilitators at SBI 46 (in May 2017) was not negotiated and ‘is an old one’, and therefore ‘difficult to use’ as a starting point for discussions. This sentiment was also echoed by **Japan** and **the European Union (EU)**. They also wanted discussions to be focused on the modalities for the periodic assessment of the TM.

China speaking for the **G77-China** in response said that as the adequacy of support was a very important part of the discussions, the issue of the scope of the periodic assessment was crucial, adding that the information note could be the starting point of discussions. The **G77** argued that without an agreement on the scope, there was no foundation for the modalities and insisted that the scope must reflect the mandate of the Paris decision, which is about the adequacy of support. The **G77** insisted that it would like to insert a bullet point in the information note called ‘the scale of support’ under the section on ‘adequacy of support provided to the TM’.

The EU and **Norway** reminded Parties that at SBI 44 (in May 2016), their understanding of para 69 of decision 1/CP.21 with regard to scope was clarified in the conclusion adopted, which reads: ‘The SBI noted that the scope of the periodic assessment of the TM referred to in decision 1/CP.21, para 69

will be in the context of Article 10 of the Agreement and will focus on:

- the effectiveness of the TM in supporting the implementation of the Agreement on matters relating to technology development and transfer; and
- the adequacy of support provided to the TM in supporting the implementation of the Agreement on matters relating to technology development and transfer.’

Kenya for the **African Group** said effectiveness and adequacy of support are interlinked and need to be taken together and it preferred to look at them simultaneously.

Following the deliberations, the final conclusions adopted welcomed ‘the technical paper by the Secretariat on the experience, lessons learned and best practices in conducting reviews of various arrangements under the Convention and the Kyoto Protocol relevant to the periodic assessment’.

Further, the SBI noted that the co-facilitators of the informal consultations prepared an informal note on the basis of the deliberations of Parties at this and previous sessions of the SBI and their submitted views. Parties also agreed to continue elaborating the scope of and the modalities for the periodic assessment at the next session (SBI49 at year end) taking into account the informal note.

Review of the effective implementation of the CTCN

The conclusions adopted noted that Parties considered ‘the findings and recommendations of the independent review of the effective implementation of the CTCN and the management response from the United Nations Environment Programme (UNEP) to these findings and recommendations’. The SBI agreed to recommend a draft decision for adoption at COP24.

During informal consultations co-facilitated by **Stella Gama (Malawi)** and **Ian Lloyd (United States)**, the main contentious point in the draft decision text was on the recommendations (of the review) related to the role of nationally designated entities (NDEs) of developed countries.

Developed and developing countries held different views on addressing the recommendation which encourages the CTCN to clarify the role of developed countries’ NDEs.

The views of developing countries were captured as an optional paragraph in the draft decision dated 4 May that reads, ‘encourage NDEs from developed country Parties to strengthen their roles, as contained in the management response... in promot-

ing collaboration and in supporting funding for the CTCN’.

The response from UNEP pointed to a paper presented to the Advisory Board (AB) of the Climate Technology Centre at its third (in March 2014) and seventh (in April 2016) meetings which described the possible roles of developed countries’ NDEs and which was endorsed by the AB at its third meeting.

The United States said ‘singling out one recommendation’ distorted the balance and nuance of the report and was not helpful (for the draft decision). **Australia** was against a ‘pick and choose’ approach and preferred to give general guidance to the CTCN and leave it to the TEC to give specific guidance to the former.

India emphasised that the role of NDEs of developed countries should be firmed up to the extent

possible so that it was clear, as the CTCN is not only a body for technical assistance and capacity building, but it should help NDEs to fund-raise effectively.

In the subsequent discussions, Parties reached a compromise and agreement was captured in the following paragraphs of the informal note:

‘Further invites Parties and the CTCN to enhance the provision of support for strengthening the capacity of national designated entities, as appropriate,’ and *‘Requests* the CTCN to include in the joint annual report of the TEC and the CTCN for 2019 and in the subsequent reports to the COP, through the subsidiary bodies, information on its plans and actions undertaken in response to the relevant recommendations...., taking into account Parties’ deliberations at this session.’

Discussions on the issues which relate to the PAWP will continue in Bangkok in September.

Developing Countries Call for Greater Balance in Negotiations

Kathmandu, 18 May (Prerna Bomzan) – Developing countries called for greater balance in the outcomes of negotiations on the Paris Agreement Work Programme (PAWP) in the future, given the ‘uneven’ progress on all elements at the recently concluded climate talks, held in Bonn, Germany, from 30 April to 10 May.

The three bodies under the UNFCCC viz. the Ad Hoc Working Group on the Paris Agreement (APA), the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) concluded their work on 10 May, and will resume their work on the PAWP in Bangkok in September this year.

Egypt, speaking on behalf of **the G77 and China**, stated that the outcomes of the negotiations at the Bonn session ‘have been uneven’, and that ‘it is therefore of utmost importance, that we strive for greater balance in future work, which we believe can be achieved through closer coordination amongst work between the APA, SBI and SBSTA’.

It further expressed hope that ‘the increasing resort to procedural means to hold back work do not represent a recurring trend’, in a clear reference to the stance of developed countries. It expressed the wish ‘to maintain the level of trust needed to push the process forward’, adding that ‘it is vital that the process remain transparent and Party-driven, and that no issue is left behind’.

Egypt also underscored the importance of ‘pre-2020 issues’ and said that ‘enhanced post-2020 ambition and action are inextricably linked to enhanced pre-2020 ambition and actions. We therefore wish to remind that there is an urgent need to enhance pre-2020 action, as well as provision of support in terms of finance, technology development and transfer, and capacity building’. (The pre-2020 issues refer to the existing commitments of Parties under the UNFCCC, while the Paris Agreement [PA] deals with post-2020 commitments.)

On the APA agenda items, it welcomed the preparation of a ‘joint reflections note’ by the co-chairs by 1 August this year, and stressed that the process reflect ‘the unanimous view calling for all options to remain on the table, and that no option will be removed unless explicitly called for by the Party concerned’. (The G77 was referring to the divergent positions of Parties reflected in the various options in the informal notes and tool produced by the co-facilitators of the respective agenda items.)

On finance, the G77 looked forward to making progress in Bangkok with a view to ‘negotiate an outcome’ in Katowice, Poland (end of this year) on Articles 9.5, 9.7, 13 and other matters under agenda item 8 of the APA. ‘Together, these elements will be a critical part of the overall Katowice package,’ said Egypt, adding that ‘enhanced financial support from developed countries will allow for effective implementation and enhanced ambition of developing countries’.

It added further that ‘multilaterally agreed modalities are needed to track the delivery of support, including the US\$100 billion per year in climate finance by 2020 and additional and scaled up finance that is secure, predictable and sustainable’, which it said ‘is crucial for developing countries in the post-2020 context’.

On adaptation communications, Egypt said that the Bangkok session should ‘advance’ work and on the transparency framework for action and support, it called for the allocation of ‘more time’ to ensure ‘all aspects’ can be discussed in a ‘comprehensive and balanced manner’. On the global stocktake, it welcomed the reflection of ‘equity’ (in the informal notes) and expected the modalities to reflect the ‘provisions of the PA and to be workable, implementation-oriented, simple and sustainable, and effective’.

On the Consultative Group of Experts [CGE] on national communications from non-Annex I Parties, the G77 reiterated its disappointment that ‘some

Parties appear to be unwilling to continue the CGE's work after 2020'. On response measures (relating to the adverse impacts of measures taken to address climate change), the Group emphasised the importance of advancing the work on the modalities, functions and work programs and in establishing a 'permanent body' under the Conference of Parties to the PA (CMA).

As regards issues related to technology transfer, it stressed that the technology framework could provide the much-needed guidance to the work of the Technology Mechanism (TM), especially in providing support for actions on technology development and transfer to developing countries to implement the Convention and the PA, adding that 'operationalizing the technology framework is crucial, while ensuring that it continues to evolve'.

On the issue of parallel tracks discussing climate change, referring to the International Maritime Organisation (IMO) and the International Civil Aviation Organisation (ICAO), the G77 emphasised that the work of the two organisations should be complementary to the UNFCCC work, and that it should not be 'in conflict with or to distort it', adding that 'it is vital that such efforts remain faithful to and consistent with the Convention, its Kyoto Protocol, and PA, while conforming to their key principles'.

The G77 also said that 'the final stretch of operationalizing the PA will be a challenging one' as 'there are varying and often divergent views on many of the Agreement's provisions'. 'This is normal,' it said, adding that 'we can assure you that we have and will continue to come to the table with an open mind and all willingness to reach accommodations'. 'If this is the prevailing sentiment and attitude, we have every reason to hope that whatever obstacles we may meet on the road to Katowice will be overcome,' Egypt said in conclusion.

Iran for the Like-Minded Developing Countries (LMDC) provided some reflections on the outcomes under the three bodies. On the guidance on nationally determined contributions (NDCs), it reiterated that the 'scope of the NDCs should be in accordance with Article 3 of the PA', and therefore, the guidance for NDCs should encompass all the components of the NDCs, reflecting differentiation between developed and developing countries. It appreciated the 'delicate balance' reflected in the 'navigation tool' which includes the 'identification of all Parties' options, particularly their options on the issues of differentiation and scope'. The LMDC said further that 'all of these options must be reflected in the tools to be developed by the Co-chairs'.

On adaptation communications, it stressed that 'all the elements under this agenda item must be

maintained in their substance and meaning in order not to lose information', adding that it was 'extremely important to have NDC-specific guidance regarding the communication of adaptation actions and/or economic diversification resulting in mitigation co-benefits'. As regards the transparency framework, it said that 'a key aspect' that remains was 'how to ensure that the structure of the modalities, procedures and guidelines (MPGs) of the transparency framework fully respect the provisions of the PA and the paragraphs in decision 1/CP.21 (from Paris) that recognize the need to provide for a differentiated approach between the transparency MPGs for developed countries and those applicable to developing countries, particularly through the provision of flexibility to developing countries'.

On the global stocktake, the LMDC looked forward to modalities that will be 'workable, simple, effective, durable and flexible, and moves us forward towards enhanced implementation of the Convention and strengthened international cooperation through the PA'.

The LMDC also underscored the issue of the setting up of a process for the 'new long-term finance goal' as being extremely important and the need for a 'participatory and transparent process'. On Article 9.5 as regards forward-looking information on finance by developed countries, it stressed that the modalities for reporting must put in place 'a process that summarizes such information, identifies possible common elements among them and works toward improving comparability of efforts and data'. As regards the Adaptation Fund serving the PA, it said that 'the Fund should not have any transitional period during which it would not be operational simply because of the decisions on arrangements that are still needed'.

On technology transfer, the LMDC said that the technology framework must be operationalised. As regards the public registry of NDCs and adaptation, it looked forward to a 'joint consultation' to advance work under the SBI and on Article 6 (on cooperative efforts), it stressed that the Article 'should accommodate all NDCs and cooperative efforts as long as they involve real emission reductions or avoidance'.

Gabon for the African Group looked forward to the proposed tool by the APA co-chairs on the basis of 'options presented by Parties and Groups' and reiterated the 'APA mandate being to deliver operational guidance on all issues, with guidance being specific and clear'. It expressed concern about the 'varying' levels of details across the agenda items, particularly with the lack of progress on adaptation communications and the transparency framework for

action and support. It expressed concerns with the lack of progress of work on reporting on adaptation, finance and support provided by Article 13 as well as on 'post 2020 arrangements on finance, and more specifically, procedures for the communication of indicative support envisaged in Article 9.5 of the PA is lagging behind'.

It also expressed deep frustration and disappointment for not reaching a concrete conclusion to extend the mandate of the CGE on national communications and also highlighted that 'five Annex 1 countries' that account for a substantial amount of greenhouse gas emissions have not submitted their reports and said that 'Annex I Parties should lead by example in demonstrating discipline in adhering to the climate change multilateral treaty requirements'.

On the changes made by the Secretariat to the official title of the Conference (from UNFCCC to UN Climate Change), the African Group stressed that 'it is only through Parties that such change could be decided'.

Saudi Arabia for the **Arab Group** stressed the need to ensure a 'balanced and fair work methodology' with 'no disparity' in terms of progress in the drafting of negotiating texts. It reiterated that the final outcome at the COP 24 becomes 'one package' and reaches 'one resolution' to ensure the 'inclusiveness' of procedures in line with PA. It emphasised the 'comprehensive' nature of the NDCs, particularly the adaptation contributions, saying that it will 'not accept' an outcome that was not balanced 'with mitigation and adaptation enjoying the same levels of details'. It further underscored the need to complete the work of the pre-2020 period, for Parties to ratify and implement the Doha Amendment to the Kyoto Protocol as well as implementation of financial commitments prior to 2020 by developed countries because 'it will lay the foundation for the work of post-2020'. 'Finance, technology transfer and capacity building' is a 'pre-condition' for the NDCs, it added.

Ethiopia for the **Least Developed Countries (LDCs)** acknowledged the progress made in Bonn and hoped that the next session in Bangkok will enable Parties to go into 'real negotiating mode' with a 'greater sense of urgency towards the December deadline'.

The Maldives for the **Alliance of Small Island Developing States (AOSIS)** urged all countries that have not yet done so, to ratify the Doha Amendment and noted 'with great anxiety, that the emissions gap continues to widen post Paris'. It reiterated the critical importance of fully considering the Intergovernmental Panel on Climate Change

(IPCC) Special Report on 1.5°C in a dedicated space before the meeting of the 24th session of the UNFCCC Conference of Parties (COP 24). It underscored that 'adequate finance remains fundamental' and that the discussions on the Adaptation Fund serving the PA could be finished in Bangkok to 'allow for a decision' at COP24. 'Finally, even as climate impacts worsen, our discussion on loss and damage has lost momentum,' said the Maldives and called 'on Parties to make up for lost time, particularly when it comes to identifying necessary funding, in line with the principles of the Convention, and get us back on track ahead of the 2019 review of the Warsaw International Mechanism'.

Cuba for the **Bolivarian Alliance for the Peoples of our America (ALBA)** said that the progress made was 'insufficient and unequal' with the 'financial issues not receiving the merit' as well as is the case of the 'new long-term goal for 2025' with no agreement reached to even start negotiations. It stressed that the adjustments required for the Adaptation Fund to serve the PA must not involve changes in the functioning of the institution, its bureau and its modalities because 'it is precisely the way that it operates that distinguishes itself from other financial institutions and makes it so valuable to the developing countries'. It emphasised that success in Katowice depends on achieving a result 'adequate and acceptable to all' in the various areas of negotiations, not only limited to the PAWP but also all relevant issues under the SBs and the COP itself. It further said that there is a need to change the working modality so that Parties work 'directly on a text and thus, in a balanced way address all aspects of the PAWP and other topics'.

Argentina speaking for **Argentina, Brazil, Uruguay (ABU)** reiterated their commitment to achieving a 'balanced' conclusion in the PAWP, covering 'all aspects' of mitigation, adaptation and means of implementation. It said that this also included progress on cross-cutting topics, particularly, the transparency framework.

South Africa for **Brazil, South Africa, India and China (BASIC)** urged all presiding officers of the three bodies to coordinate closely so that a 'comparable level of progress and preparedness' is achieved in all areas of the PAWP. As regards the Bangkok session, it said that time should be used 'optimally' to ensure an 'agreed basis' for negotiations in Katowice, stressing that the issues of finance, adaptation and transparency (of support) need 'more' time. It emphasised that progress is essential towards developing a 'comprehensive, Party-driven, negotiating text' in a 'balanced' manner. It reiterated the

importance of accelerating ‘pre-2020 commitments’ and increasing ‘pre-2020 ambition’ including the ratification of the Doha Amendment.

Chile for the **Independent Alliance of Latin America and the Caribbean (AILAC)** said that the ‘complexity’ of negotiations, range of topics and linkages between them require ‘careful treatment’, which is a challenge in particular for smaller delegations. It hoped for ‘enough time’ on deliberations for particularly complex issues such as the transparency framework. It stressed on the need to work towards ‘greater ambition’ and it looked forward to a ‘rapid coherent progress’ to discuss the ‘substance’ and transcend into ‘full negotiation mode’.

Australia on behalf of the **Umbrella Group (UG)** welcomed the ‘constructive engagement on mitigation’, with the ‘navigation tool’ produced by the co-facilitators helping to further understand views and discussions at Bangkok. On the transparency framework for action and support, it said that a ‘deeper mutual understanding’ was achieved on a number of core elements but the ‘need for adequate time’ in Bangkok was emphasised, to advance work on this matter.

On finance, it welcomed progress made in improving climate finance reporting arrangements under Article 9.7 and said that ‘a robust accounting system providing an enhanced picture of global finance flow is an important part of the PA which should also capture multilateral flows and private finance mobilized’. On Article 9.5, it said that the UG looked forward to ‘further discussions within the mandate to improve the predictability of climate finance flows from all Parties for recipient countries’. It added that the Group is also ‘committed to preserving the essence of the Adaptation Fund and ensuring it continues to deliver on its strengths in the context of the PA’.

It concluded that works needs to be advanced ‘building on the textual narratives with a view to moving closer to a negotiation text’ and that while all elements of the mandated PAWP are important, ‘we must take a practical approach and create enough space to properly deliver on each mandate’. ‘There are items that are clearly more technical, complicated and cross-cutting that need to be given sufficient time to make sure we get it right. It will be important to retain sufficient flexibility to respond to the specific and emerging needs of every agenda item,’ it added.

The European Union said that the political phase informed by the 1.5°C IPCC Special Report should ‘inject momentum into our domestic deliberations and actions’. It added that ‘concluding our work by Katowice is critical for delivering our domestic efforts and for the credibility of the UNFCCC process’, adding that this ‘will enable and encourage action and demonstrate the global commitment to ambition’. It said that it was open to explore ‘innovative and integrated working methods’ as well as ready to ‘consider all solutions’ to urgently accelerate work.

Switzerland for the **Environmental Integrity Group (EIG)** said that the ‘progress has hardly met the expectations’ of those who face the difficulties of climate change impacts on a daily basis. It stressed on ‘using time in an efficient manner’ in Bangkok and highlighted the need for a ‘result-oriented approach’ to find a ‘landing zone’. It added that ‘focus on substance and enhancing common understanding of possible technical solutions will be key to deliver on the PAWP later this year in Katowice, in a robust manner’ and this will allow Parties to ‘solve many seemingly political deadlocks’.

Attempts to Block Issue of 'Conflict of Interest' Policy in UNFCCC

Boston, 14 June (CAI*) – Several developing countries continued to champion the need to have a policy on 'conflicts of interest' in the UNFCCC at the climate talks in Bonn, Germany last month, but their calls were not reflected in the outcome of the discussions given strong opposition, especially from developed countries.

Despite not being reflected in the final outcome of the discussions, attempts at burying this issue were thwarted by some developing countries led by **Ecuador**, who managed to ensure that this discussion would continue to be on the agenda at the climate talks in 2019.

The 'conflicts of interest' policy issue was raised under the agenda item on 'arrangements for intergovernmental meetings (AIM)' under the UNFCCC's Subsidiary Body for Implementation (SBI) and comprised eight hours of negotiations at the recent climate talks held from 30 April to 10 May.

This agenda item centred on views from Parties on 'non-Party stakeholder engagement' with a view to considering how such engagement can be further enhanced.

Following the SBI session held in May last year, Parties and non-Party stakeholders provided a range of submissions on this matter, the majority of which explicitly discussed the issue of conflicts of interest.

However, although a large part of the eight hours of negotiations was taken up on a discussion around conflicts of interest, there was no mention of this issue in the conclusions adopted coming from the SBI session, given the opposition primarily from developed countries.

Interventions made to address this issue came overwhelmingly from developing countries, which included the **African Group, Ecuador, Cuba, El Salvador, Venezuela and China**.

Specifically, **Uganda** on behalf of the **African Group** highlighted the risks that could arise when non-Party stakeholders have interests in continuing to expand and promote greenhouse gas (GHG) emissions, which are not aligned with the pursuit of the

Paris Agreement or in conformity with the fact that the UNFCCC is a Party-driven process.

(In its submission to the UNFCCC on the matter, the **African Group** said that 'in the absence of such a framework [on conflicts of interest], engagement by certain non-Party stakeholders with vested interests threatens the integrity and legitimacy of the UNFCCC process, and risks decreasing the chances of achieving the collective goal to limit global temperature rise to well below 2 or as close to 1.5 degrees Celsius as possible. With a clear framework for addressing the potential for conflicts of interest in place, all UNFCCC Parties can be assured that enhanced participation by non-Party stakeholders will advance the objectives of the UNFCCC and its Paris Agreement, and the integrity and legitimacy of the UNFCCC process will be maintained and enhanced.')

Cuba and Ecuador echoed these sentiments, stating the need for a framework on non-Party stakeholder engagement that ensures this occurs in total alignment with the principles of the Convention.

Senegal, also on behalf of the **African Group**, called for a policy on conflict of interest to ensure that no non-State actor not in conformity with the purpose of the Convention and its process can jeopardise Parties' work.

China reiterated that on the issue of conflicts of interest, it is not a question of whether it does or does not exist, but rather how to address it, citing specifically the clarity coming from civil society on the matter.

China was referring to interventions from the majority of civil society who gave interventions which comprised youth non-governmental organisations (YOUNGO), women and gender groups, the indigenous peoples' organisations (IPO), and Climate Justice Now (CJN), all of whom strongly called for a definition of conflicts of interest and a framework to address it.

However, other than the business-interest NGOs (BINGO) constituency, Climate Action Network was the only civil society constituency in the

room whose intervention did not mention the need to address conflicts of interest.

In contrast, the interventions made to adamantly oppose such measures or absolutely any mention of the term ‘conflicts of interest’ came overwhelmingly from developed countries, namely **the United States, Norway, New Zealand and Australia**.

The divide between developed countries and developing countries on how to meaningfully address the climate crisis was distinctly palpable in the AIM negotiation rooms, more than it had ever been before.

In vehement opposition, **Australia** argued that it would be impossible to accept something internationally that it did not do domestically, adding that ‘business is a critical part of the (climate) solution’. (According to some experts on the issue, Australia does have a 2013 Public Governance, Performance and Accountability Act as well as the Australian Public Service Code of Conduct, both of which specifically discuss avoiding conflicts of interest [real or apparent] during public service.)

The European Union (EU) was not particularly vocal on the issue considering that the European Parliament had called for it to tackle vested interests at the UN climate talks, speaking to the power of communities that pressure national governments on climate action.

According to observers, the EU negotiators did not heed the resolution passed by the European Parliament to address the conflicts of interest issue, nor did they support the developing countries in the room calling for exactly that.

Developing and developed countries however both called for open, inclusive and transparent inter-governmental processes, but seemed to disagree as to how such processes can be safeguarded to ensure openness, inclusivity and transparency.

Ecuador, Cuba and Venezuela, alongside public-interest-serving civil society constituencies, highlighted the fact that conflicts of interest policies are what drive these values. They also noted that such policies are a standard around the world, supported by overwhelming national and international precedents.

Cuba said that it was fully committed to a process that was broad, inclusive, open and transparent. However, it stressed the need to have some kind of general principles to be adhered to in order to ensure the participation of non-Party actors to be in full alignment with the principles of the Convention.

Australia sharply disagreed, citing business as the means for transitioning to a low-carbon economy. Both mentioned this topic in reference to good governance.

Developing countries, particularly **Ecuador**, clearly drew the connection between vested industry interests not necessarily being in line with the spirit and objectives of the UNFCCC and Paris Agreement, stating that ‘business is important to the process, but at the same time, not just any business’, adding that it should include only those that ‘are committed to the UNFCCC and climate action and the principles therein’.

Developed countries, particularly **Australia, New Zealand, and the United States**, did not agree, citing the need for industry to be a part of the process.

Fiji’s Ambassador and Special Envoy to the UNFCCC, Deo Saran, chaired the session and noted the diverging views in the room multiple times. Saran said that he had to navigate hours of ‘constructive dialogue’ on this agenda item on the last day of the contact group’s meeting, urging for compromise even on seemingly uncontroversial issues like capturing the objectives of the Convention, a reference that the United States successfully negotiated out of text.

Thus, what started as impassioned calls for decision makers to create a space for their decision making to be free of clearly conflicting commercial and vested interests that directly contradict the work that Parties have committed to do, ended with no reference to the very objective of the Convention that seeks to address climate change.

In the end, developing countries were simply calling for the conclusion text to at least reflect the ‘constructive conversation’ had in the room over the past several days with a clear mandate for it to continue moving forward. Developed countries did not oblige.

In the final conclusion that was adopted, the SBI ‘reiterated the importance of enhancing the engagement of non-Party stakeholders in the inter-governmental process and took note of the diverse views expressed by Parties regarding their engagement’.

‘In this regard, the SBI invited Parties and non-Party stakeholders to continue to identify at SBI50 (in 2019) opportunities and improved practices to further enhance the openness, transparency, inclusiveness and balance of the effective engagement of non-Party stakeholders, in a manner that enhances the implementation of the Convention.’

Given the expected resistance of developed countries to any policy in the UNFCCC to address conflicts of interest, whether any headway will be made at the 2019 session on this matter remains to be seen.

(*Corporate Accountability International)

Edited by Meena Raman

Previous compilations of the News Updates and Briefing Papers prepared by the Third World Network for and during the United Nations Climate Change Talks are:

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