

Third World Network Bonn Climate News Updates

(November 2017)



Third World Network
BONN CLIMATE NEWS UPDATES
(November 2017)

TWN

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NOTE

This is a compilation of 23 News Updates and an overview prepared by the Third World Network for and during the recent United Nations Climate Change Talks – the twenty-third session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP 23), the thirteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 13), the second part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1-2), the forty-seventh sessions of the Subsidiary Body for Implementation (SBI 47) and the Subsidiary Body for Scientific and Technological Advice (SBSTA 47), as well as the fourth part of the first session of the Ad Hoc Working Group on the Paris Agreement (APA 1-4) – in Bonn, Germany from 6 to 17 November 2017.

Overview of Outcomes at the 2017 Climate Talks

Meenakshi Raman

THE annual climate change talks under the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol (KP) and the Paris Agreement (PA) took place in Bonn, Germany, on 6-18 November 2017, ending a day later than scheduled due to last-minute wrangling among Parties, mainly over issues related to finance.

The annual meetings were presided over by the Government of Fiji, with its Prime Minister Frank Bainimarama at the helm, a first for any island state. During the high-level segment of the talks which began on 15 November, about 25 heads of state and government and over 100 ministers were present.

UN Secretary-General Antonio Guterres, at the opening of the high-level segment, called on world leaders to show ‘more ambition’ and said that Parties ‘must go further and faster together’, stressing that at least a further 25% cut in emissions (based on 1990 levels) of the greenhouse gases that cause global warming is needed by 2020.

Referring to the latest UN Environment Programme (UNEP) Emissions Gap Report, the UN SG said that ‘current pledges [under the PA] will only deliver a third of what is needed to stay in the safety zones’ of the PA. He added that ‘the window of opportunity to meet the 2°C target [i.e., to limit global warming to well below 2°C above pre-industrial levels] may close in 20 years or less and there may be only five years to bend the emissions curve towards 1.5°C.’

There were many decisions taken at the end of the talks but the main outcome of the 23rd meeting of the UNFCCC’s Conference of the Parties (COP 23) was the adoption of what was called by the Presidency the ‘Fiji Momentum for Implementation’ (also referred to as decision 1/CP.23).

Fiji Momentum for Implementation

The decision adopted was divided into three parts and dealt with: (i) the completion of the Work Programme under the PA; (ii) the design and process for the 2018 facilitative dialogue; and (iii) pre-2020 implementation and ambition. Details are provided below.

Completion of the Work Programme under the PA

The COP 23 closing plenary was supposed to convene in the morning of 17 November to adopt the final outcome decision, but it only began past 4.30 a.m. on 18 November.

The main cause of the delay was the stance of the United States, especially over some finance-related issues pertaining to the implementation of the PA. It took long huddles among Parties on the conference floor to iron out a solution allowing for a final decision.

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.

Despite its intention to leave, the US’ role in the Bonn climate talks was viewed by senior negotiators from developing countries and some observers as being very problematic, especially as regards developed-country commitments related to finance.

Also viewed as outrageous by several delegates in the final hours of the conference was what was seen as an attempt by the UNFCCC Secretariat to ‘cover up’ the US opposition to an initial draft of the COP 23 decision.

The Secretariat informally told several delegations that there was a ‘typo’ in the initial draft document when it was asked to explain why the later version of the decision had some issues removed and was different from the earlier iteration. This drew protests from developing countries and led to further huddles among Parties.

The US was opposed to the reflection of some issues as part of the Paris Agreement Work Programme (PAWP), including ‘modalities for biennially communicating information on the provision of public financial resources to developing countries’ under the PA and the setting of a new collective quantified goal on finance from a floor of \$100 billion per year, which is to be agreed to by 2025.

According to sources, the US was of the view that there was no need to include these matters in the PAWP. Developing countries, on the other hand, wanted these issues to be included, as they were integral to the implementation of the PA and there could be no justification for excluding them from being considered.

Sources said that the US disagreed and maintained that there was no clarity that the additional matters were part of the PAWP or that they needed to be addressed by the first session of the meeting of the Parties to the Paris Agreement (CMA 1). The US was resolute in its stand and refused to accept the inclusion of these matters, despite pleas by developing countries. (The CMA 1 in this regard will take place in December 2018 in Poland.)

After lengthy deliberations in the huddle, a compromise was reached in the form of a footnote in the final decision on the issue of ‘possible additional matters relating to the implementation of the PA’. Parties wanted to reflect that there was no consensus on the matters to be addressed under the PAWP and therefore, the footnote reads 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...’

In the intersessional meeting to be held in early 2018, the issue of possible additional matters is bound to resurface and can be expected to be contentious.

Further, in the decision adopted, the Secretariat is requested to develop an online platform to provide an overview of the PAWP being carried out in the various subsidiary and constituted bodies, including the Ad Hoc Working Group on the Paris Agreement (APA).

[When the PA was adopted in Paris in 2015, the task of drawing up the modalities, procedures and guidelines for its implementation (which is the PAWP) was distributed among the APA and the subsidiary bodies of the Convention.]

The convening of the COP closing plenary was also held up by the delay in the closing of the APA and divergences among Parties over finance issues regarding the Adaptation Fund, as well as a process to identify indicative quantitative and qualitative information that developed countries are required to communicate biennially under Article 9.5 of the PA.

The COP 23 Presidency carried out several rounds of informal consultations with Parties to address these differences, which were eventually resolved. (Details are provided below.)

2018 facilitative dialogue

The COP 23 decision also welcomed ‘with appreciation’ ‘the design of the 2018 facilitative dialogue, to be known as the Talanoa dialogue ... as contained in the informal note’ prepared by the COP 22 and COP 23 Presidencies.

[In Paris, 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)...’.]

In the two informal meetings held ahead of the official UNFCCC talks [convened by the COP 22 President (Morocco) and the COP 23 President], according to sources, the design of the 2018 facilitative dialogue was pitched by the Fijian Presidency as a very important outcome and ‘legacy’ issue for COP 23. It was referred to as the ‘Talanoa Dialogue’ to reflect what the Fijian Presidency called the ‘Pacific spirit’ of sharing stories.

The dialogue was touted by the Presidency and some countries, particularly the island states, as a very important event to ‘ratchet up’ the NDCs of Parties under the PA.

Several developing-country delegations who spoke to the Third World Network said they 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 preparation 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 preparation 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 which 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 had failed to close the mitigation gap, thus shifting the responsibility onto developing countries.

Hence, there was much discomfort among some Parties over the strong focus of the Presidency on the design of the 2018 dialogue and the intention behind this effort.

Since the informal note by the COP Presidency on the design of the dialogue was not a negotiated document, 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 informal note, 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 will consist 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 stated 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 COP 23, 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 European Union (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 states that the dialogue will start in January 2018.

Pre-2020 implementation and ambition

Developing countries, led by the **LMDC** and later supported by the Group of 77 and China, had insisted that the COP 23 agenda include an item on pre-2020 action. This was to enable Parties to consider if the existing mitigation obligations under the Convention and the KP were being met. This proposal was initially strongly resisted by developed countries.

The statements by the G77 and many other developing-country sub-groups expressed a growing concern that the existing obligations of developed countries under the Convention and the KP were not being met to close the mitigation ambition gap in the pre-2020 time frame, with developed countries shifting their focus and responsibilities to developing countries post-2020 under the PA.

At issue was why the Doha Amendment to the KP had yet to be ratified by many developed countries, including those from the EU. The Doha Amendment is supposed to give effect to the second commitment period of the KP (2CP) for emission reductions by developed countries for the period 2013-20.

(Parties had agreed in 2012 in Doha to amend the KP to ensure that under the 2CP, developed countries which are Parties to the KP would undertake aggregate emission cuts that would be at least 18% below 1990

levels. They also agreed that developed countries would revisit their emission reduction commitments by the end of 2014, with a view to increasing their ambition level. It was on this understanding that developing countries had agreed to negotiate the PA, where all Parties will undertake emission reduction obligations after 2020.)

Regrettably, the 2CP has not come into effect, nor has there been a revision and raising of the ambition level for the emission cuts of developed countries. To give effect to the Doha Amendment, and for the 2CP to come into effect, a total of 144 countries have to ratify it, including developing countries. Thus far, only 96 countries have done so. The PA, on the other hand, was ratified at super speed and came into effect in November 2016, within a year of its adoption in December 2015.

At COP 23, following informal consultations by the COP Presidency, consensus was eventually found on having a decision on ‘pre-2020 implementation and ambition’ in the final decision adopted, which was seen as a matter of significance for developing countries.

Among other things, the decision requests the President of the COP and the UNFCCC Executive Secretary to send joint letters to Parties to the KP that are yet to ratify the Doha Amendment urging them to do so as soon as possible. It also requests the Secretariat to consult the UN SG on ways to promote the ratification of the Doha Amendment.

The decision further notes that the 2018 facilitative dialogue will also consider pre-2020 action by Parties as well as the support provided to developing countries. In addition, it provides for a stocktake on pre-2020 implementation and ambition to be convened at COP 25 (in 2019); the stocktake will also consider the outcomes of the high-level ministerial dialogue on climate finance to be held at COP 24 in Poland.

The Paris Agreement Work Programme

A major task at COP 23 was to lay the groundwork for a draft negotiating text to be prepared for the various issues under the PAWP.

In the conclusions adopted under the APA, progress was noted at the session 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: NDCs, adaptation communications, transparency of action and support, global stocktake, committee to facilitate compliance, and matters related to the implementation of the PA.

These informal notes contain the positions of all Parties on the various issues and will form the basis of further work and negotiations in 2018 towards a draft negotiating text, with a final outcome expected at COP 24 in December.

As pointed out earlier, the PAWP includes the work of Parties from not only the APA but also the subsidiary bodies of the Convention. In this regard, the APA also ‘reiterated its 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 Subsidiary Body for Implementation (SBI), the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the COP’.

To that end, the APA ‘recommended that the President of the COP consider options for bringing together, under his own responsibility and without prejudice to the future work of the subsidiary bodies, the outcomes of the work of the APA, the SBI, the SBSTA and the COP on PAWP-related matters at this session’.

This recommendation resulted in the above-mentioned request to the Secretariat (via decision 1/CP.23) to develop the online platform to provide an overview of the PAWP being carried out in the various bodies.

The APA Co-chairs are also expected to issue a reflections note by early April 2018 that will suggest options for the way forward on the basis of the views of Parties reflected in the informal notes of the co-facilitators and in Parties’ further submissions on textual proposals.

The APA plenary closed after 1 a.m. on 18 November, overshooting its scheduled closing by three days, mainly due to the need to find a resolution on the Article 9.5 issue.

The Article 9.5 issue

The issue of 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 source of contention 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 of the African Group of countries, 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 from the EU and the Umbrella Group (which includes 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 the ‘process’ to identify the information and does not address the ‘modalities’ for that information, which need to be addressed by the APA. According to sources, the word ‘modalities’ was a red line for the EU.

Given the divergence of views, it took several rounds of informal consultations by the COP 23 Presidency to resolve the deadlock in the final hours of the COP, with an eventual compromise reached on the issue.

The compromise 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 considered by the SBI at the May 2018 session, while the APA would continue deliberation of the issue of the ‘modalities’ for that information under its agenda. (The APA and the subsidiary bodies meet twice a year.)

A senior negotiator described the fight as a ‘battle won’ in terms of securing the space for discussions on Article 9.5 at the intersessional meetings in May and for deliberations to continue on the issue of the modalities under the APA, which developed countries did not want.

Fight over the Adaptation Fund

Developed and developing countries were also divided over the future and nature of the Adaptation Fund (AF) under the PA. The AF is currently under the KP. This divide was apparent in the discussions that took place under the APA.

The **G77 and China** want 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 their part, want to change the nature of the AF if it is to serve the PA.

In the input provided by **the G77 and China at the APA**, among the proposals was for the ‘operational policies and guidelines for Parties to access funding from the AF’ to ‘be applied *mutatis mutandis* when the AF serves the PA.’ [*Mutatis mutandis*’ means that in comparing two situations (viz., the AF under the KP and the AF under the PA), although there will be changes necessary to take into account the different situations, the basic points remain the same.]

The EU in its inputs said that ‘the current composition of the [AF] 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 proposed 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 input 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 arrangements’. On the operating modalities, these countries proposed that ‘eligibility [be] restricted to Parties to the PA from the date the Fund begins to serve the PA’, with ‘prioritisation given to

Parties that are particularly vulnerable – especially small island developing states and least developed countries’.

Given the proposals made by 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 by the Conference of the Parties meeting as the Parties to the KP (CMP), one part 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.

Other key issues

Apart from the above matters, several other key decisions and important outcomes were adopted by the COP, including outcomes on the Warsaw International Mechanism for Loss and Damage associated with climate change impacts (WIM), on a platform for local communities and indigenous peoples on climate change, and on a gender action plan. Details are provided below.

Loss and damage

During the first week of the climate talks, 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 WIM take place intersessionally, so that the WIM can be effective in helping developing countries impacted by climate change. Presently, the only discussions in relation to the WIM are confined to a report of the work of the WIM Executive Committee to the COP.

Developed countries, however, strongly resisted the call by developing countries for a permanent agenda item on the WIM at the intersessional meetings of the subsidiary bodies.

Intense negotiations resulted in a compromise agreement to have an expert dialogue on loss and damage. According to the decision reached, the UNFCCC Secretariat, under the guidance of the WIM Executive Committee and the Chair of the SBI, is 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 mobilisation 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’. The Secretariat is also requested to prepare a report on the expert dialogue.

Although a small step, this decision is seen as significant to advance the WIM to become effective and serve the interest of developing countries.

Local communities and indigenous peoples’ platform

At COP 21 (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 practices on mitigation and adaptation in a holistic and integrated manner. COP 22 (2016) agreed to adopt an incremental approach to developing the platform with a view to ensuring its effective operationalisation.

Developing countries, led by **the G77 and China**, insisted on the further operationalisation of the platform at COP 23 by having a working group under the UNFCCC to advance the platform, but developed countries such as **the US and New Zealand** could not agree to this. The compromise reached was the establishment of a ‘facilitative working group’ which would not be a negotiating body.

COP 23 decided that the SBSTA would consider at its next session ‘the further operationalisation of the platform, including the establishment of a facilitative working group, which would not be a negotiating body under the Convention, and the modalities for the development of a workplan for the full implementation of the functions with balanced representation of local communities and indigenous peoples and Parties, and ... conclude its considerations by making recommendations to COP 24 (December 2018)’.

Gender and climate change

The SBI had been requested by COP 22 to develop a gender action plan (GAP) in order to support the implementation of gender-related decisions and mandates in the UNFCCC process.

At COP 23, the GAP was adopted. Among other things, it ‘seeks to advance women’s full, equal and meaningful participation and promote gender-responsive climate policy and the mainstreaming of a gender perspective in the implementation of the Convention and the work of Parties, the secretariat, United Nations entities and all stakeholders at all levels’.

The GAP states, among other things, that ‘Gender-responsive climate policy requires further strengthening in all activities concerning adaptation, mitigation and related means of implementation (finance, technology development and transfer, and capacity-building) as well as decision-making on the implementation of climate policies. The GAP recognises the need for women to be represented in all aspects of the UNFCCC process and the need for gender mainstreaming through all relevant targets and goals in activities under the Convention as an important contribution to increasing their effectiveness.’

Conclusion

On the whole, COP 23 can be viewed as laying the groundwork for the intense and difficult negotiations that will take place in 2018, especially on the modalities, procedures and guidelines for the implementation of the PA.

In relation to the PA, while the 2017 talks succeeded in producing a lengthy document that captures the positions of all Parties on the various issues under the PAWP, the pressure is now on to produce a draft negotiating text that leads to a decision or decisions to be adopted at COP 24 on the PAWP. It is important that the text is produced through a Party-driven process that clearly sets out the various differing positions as options to be considered in proper text-based negotiations to take place, so that the decision/decisions are able to be adopted smoothly at the end of the year in Poland. Hence, the intersessional meeting that begins at the end of April this year will be an important moment in this regard. Another meeting on the PAWP is expected to take place in the later part of the year, before COP 24, to facilitate this.

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 NDCs are (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 over how the principle of ‘common but differentiated responsibilities and respective capabilities’ is put into effect in the operational 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 to all, with flexibilities for developing countries provided.

Hence, finding the ‘landing zone’ on some of these issues will be a great challenge.

Also of importance will be how developing countries continue to ensure that the pre-2020 implementation agenda and ambition is not sidelined. High on the radar of developing countries will be whether developed countries meet their pre-2020 commitments on climate finance, with the high-level dialogue on finance taking place at the end of the year.

Given all this, the road to and at COP 24 in Poland does not promise a smooth ride.

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What to Expect at the Fiji COP

Bonn, 6 November (Meena Raman) – The annual climate change talks under the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol (KP) and the Paris Agreement (PA) are taking place in Bonn, Germany from 6 to 17 November 2017.

The talks will be presided over by the Government of Fiji, with its Prime Minister Frank Bainimarama at the helm.

The two-week talks will see the convening of the 23rd meeting of the Conference of Parties to the UNFCCC (COP 23), the 13th meeting of the Parties to the KP (CMP 13), the 2nd part of the 1st meeting of the PA (CMA 1.2), as well as the meeting of the subsidiary bodies of the Convention – the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice, as well as the Ad Hoc Working Group on the PA (APA).

(The tasks related to the implementation of the PA is being undertaken by the APA as well as the various subsidiary and thematic bodies of the Convention and this work as a whole is referred to as the implementation of the Paris Work Programme.)

Weather events and calamities

The UN talks are taking place against the backdrop of several recent significant weather-related disasters and calamities with no continent being spared.

Asia experienced devastating monsoons and floods while Africa was ravaged by droughts, landslides and floods. The Americas suffered the brunt of hurricanes, cyclones, floods and forest fires whereas Europe sweltered under heatwaves and faced droughts, floods and storms.

Early in the year, new data released from the UK Met Office, the US National Aeronautics and

Space Administration (NASA) and the US National Oceanic and Atmospheric Administration (NOAA) showed that the Earth's temperature has now risen about 1.1°C above the levels seen before the industrial revolution.

This comes dangerously close to the 1.5°C limit of temperature rise which Parties under the PA said they would pursue, while agreeing to hold the increase in temperature level to well below 2°C above pre-industrial levels.

On 18 April, news broke that the world breached yet another climate change milestone, as atmospheric CO₂ levels hit 410 parts per million (ppm) for the first time in human history in the Mauna Loa observatory in Hawaii. In 1958, the level was 280 ppm while in 2013, it passed 400 ppm. 450 ppm is commonly viewed among the scientific community as the danger level at which there is only a 50% chance of keeping global temperature rise to 2°C.

Given this backdrop, it can be expected that there will be more calls for all Parties to act with urgency, in showing greater mitigation ambition.

According to the latest 'Emissions Gap Report' by the United Nations Environment Programme, the contributions by Parties under the PA known as their nationally determined contributions (NDCs), 'cover only approximately one third of the emissions reductions needed to be on a least cost pathway for the goal of staying well below 2°C'.

The Report goes on to state that 'the gap between the reductions needed and the national pledges made in Paris is alarmingly high. Looking beyond 2030, it is clear that if the emissions gap is not closed by 2030, it is extremely unlikely that the goal of holding global warming to well below 2°C can still be reached. Even if the current NDCs are fully implemented, the carbon budget for limiting global warming to below 2°C will be about

80 percent depleted by 2030. Given currently available carbon budget estimates, the available global carbon budget for 1.5°C will already be well depleted by 2030.’

The NDCs under the PA are expected to be implemented from 2021 onwards, with a large number of contributions covering a 10-year period until 2030.

Hence, the issue of the mitigation ambition gap and how this is to be closed and by whom and within what time frame can be expected to feature prominently in the halls of the Conference Centre.

Focus on pre-2020 actions

Developing countries can be expected to put the spotlight on developed countries who will be viewed as not taking the lead in showing greater ambition both in terms of emission reductions and in providing the necessary finance for developing countries to act in the pre-2020 time frame.

There has been a growing concern among developing countries that existing obligations under the Convention and the KP are not being met to close the mitigation ambition gap, with developed countries shifting their focus and responsibilities to developing countries for their post-2020 actions under the PA.

Questions can be expected to be raised as to why the Doha Amendment to the KP has yet to be ratified by many developed countries, including those from the European Union. The Doha Amendment is supposed to give effect to the second commitment of the KP (2CP) for emission reductions by developed countries for the period 2013-20.

Parties had agreed, in 2012 in Doha, to amend the KP to incorporate the 2CP where developed countries who are Parties to the KP will undertake aggregate emission cuts that would be at least 18% below 1990 levels.

They also agreed that developed countries will revisit their emission reduction commitments by the end of 2014, with a view to increasing their ambition level.

Regrettably, neither has the 2CP come into effect, nor has there been a revision of the ambition level for the emission cuts of developed countries thus far.

To give effect to the Doha Amendment, and for the 2CP to come into effect, a total of 144 countries have to ratify it, including developing countries. Thus far, only 84 countries have done so.

Hence, the lack of a 2CP for developed countries under the KP will be a major bone of contention.

To focus on these pre-2020 commitments and actions of Parties, the Like-minded Developing Countries (LMDC) have called for the COP 23 agenda to be amended, to enable the consideration of ‘accelerating the implementation of the pre-2020 commitments and actions and increasing the pre-2020 ambition...’ as an agenda item, in accordance with the decisions taken under the Convention.

Whether developed countries will resist the LMDC proposal for amendment of the COP 23 agenda to address pre-2020 commitments on the first day of the climate talks remains to be seen.

The United States withdrawal from the PA

Another preoccupation of many Parties will be on how to engage with the United States (US) in the negotiations under the PA when it has indicated its intention to withdraw from the Agreement.

The PA as of now has 169 countries who have ratified, accepted or approved it (from 197 who are Parties to the UNFCCC). The US is still a Party until it gets out of the PA legally.

The PA entered into force for the US on 4 November 2016 and it will take four years before the US can be out of the Agreement, according to the provisions of the PA. This will be in November 2020 and until then, the US will continue to be a Party to the PA.

In a media note dated 4 August 2017, the US State Department in its communication on the US intent to withdraw from the PA said that the US will continue to participate in the climate meetings including COP23 ‘to protect U.S. interests and ensure all future policy options remain open to the administration. Such participation will include ongoing negotiations related to guidance for implementing the PA.’

Parties can be expected to watch how the US will engage in the negotiations under the Paris Work Programme (PWP) when it has no intention of remaining a Party to the PA. Of major concern to developing countries will be whether they will be ‘pressured’ to accommodate the US concerns.

The Paris Work Programme – how to produce the negotiating text

At COP22 last year in Marrakech and in the May session of the climate talks this year, stark divergences of views between developed and developing countries persisted on how they understand and interpret the PA.

Central to the disagreement is the question of how differentiation between developed and de-

veloping countries will be operationalised in the rules for the implementation of the PA.

Another particularly contentious issue relates to what further guidance should be provided in relation to NDCs as regards their features, information and accounting. In this regard, the scope of NDCs is a major bone of contention.

Apart from NDCs, other issues that relate to the PWP include: guidance for adaptation communications, the modalities, procedures and guidelines (MPGs) for the transparency framework for action and support, matters related to the global stocktake, modalities and procedures for the effective operation of the committee to facilitate implementation and promote compliance, the issue of the Adaptation Fund serving the PA, modalities for biennially communicating finance information on the provision of public financial resources to developing countries, and setting a new collective quantified goal on finance.

These issues need to be resolved by 2018, unless Parties agree to extend the timeline next year.

Many Parties have also provided lengthy and detailed submissions on the various matters relating to the PWP.

A major issue will be on how to produce a negotiating text that is Party-driven and inclusive, balanced on all the elements, and reflects the positions of all Parties.

Two of the key issues relate to NDCs and the transparency framework.

NDCs

The scope of the NDCs is expected to continue being a contested issue, with developed countries and several developing countries focusing only on the mitigation aspect of NDCs.

The LMDC, the Africa Group and the Arab Group are of the view that the scope of NDCs is comprehensive, in that it covers mitigation, adaptation and means of implementation (finance, technology transfer, capacity building), consistent with Article 3 of the PA.

Most of the other groupings of Parties only focus on the mitigation component of the NDCs including those from developing countries, with many developed countries equating NDCs with mitigation only. In many of these submissions, there is also no reference to the relation between NDCs and the means of implementation.

A central issue is the purpose of the guidance on the information that needs to be provided by Parties as regards their mitigation contribution. Parties are divided over this.

While many of the submissions stress on the need for the information to be able to quantify the mitigation efforts of Parties into tonnes of CO₂-eq (carbon dioxide equivalent) in order to compare the efforts and to evaluate progress in relation to the long-term temperature goal, others like the LMDC stress that this is not the purpose of the information to be provided.

The LMDC view in this regard is that the purpose of the guidance is for Parties to provide the information necessary for clarity, transparency and understanding of their NDCs as set out under Article 4(8) of the PA and is not meant to lead to a quantification of the mitigation efforts of all Parties in order to assess the aggregate effort of their individual actions in relation to the temperature goal.

Transparency of action and support

Submissions of developing country Parties show many common positions in terms of the scope of the transparency framework (encompassing mitigation, adaptation and support viz. finance, technology transfer and capacity-building).

On the issue of operationalisation of differentiation across action and support, most of the submissions of developing countries (with the exception of the AOSIS) make clear that the MPGs must differentiate between developed and developing countries, with flexibilities for developing countries.

Most of the proposals of developing countries emphasise the importance of flexibilities for developing countries in relation to the MPGs of action and that developing countries themselves determine their needs.

The developed country submissions show a lot of similarities with the stress on common MPGs which are uniform for all countries with flexibilities in very limited areas for developing countries who need it.

While the developed country submissions do refer to information needed on transparency of support, no emphasis is given on the review and verification aspects of the transparency of support.

Facilitative Dialogue 2018

In Paris, Parties had agreed to ‘convene a facilitative dialogue among Parties in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to in Article 4 (1) of the Agreement and to inform the

preparation of NDCs pursuant to Article 4(8) of the Agreement’.

The Presidencies of COP 22 (Morocco) and COP 23 (Fiji) have prepared an informal note to inform Parties on their consultations this year on the organisation of the 2018 facilitative dialogue, which they refer to as the ‘Talanoa Dialogue’.

The note provides a description of the ‘features’ of the dialogue, which among other things, states that ‘the dialogue will be conducted in the spirit of the Pacific tradition of Talanoa’ which is ‘a traditional approach used in Fiji and the Pacific to engage in an inclusive, participatory and transparent dialogue’ with the purpose of sharing ‘stories, build empathy and trust’.

According to the note, ‘the dialogue will be structured around three general topics: where are we; where do we want to go and how do we get there.’

The dialogue is supposed to consist 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’.

According to sources, concerns have arisen among some Parties as to whether the dialogue will be used to require Parties to revise their NDCs in view of the emissions gap resulting from the current NDC pledges.

In particular, some Parties have questioned the design of the dialogue in view of the mandate from Paris.

According to sources, the Paris mandate makes clear that the purpose of the facilitative dialogue is to inform the preparations of Parties’ NDCs, after taking stock of the collective efforts of Parties in relation to progress towards the long-term goal.

Their understanding is that the NDCs referred to in the mandate relate to the first NDCs communicated when Parties ratified the PA.

When the decision was taken in Paris in 2015, no one had envisaged that the PA would be ratified rapidly in 2016, with Parties already communicating their NDCs, before the facilitative dialogue in 2018.

Hence, according to some Parties, the mandate envisaged in the Paris decision has been overtaken by events rendering the mandate superfluous or obsolete.

In particular, according to some developing countries, it is unrealistic to expect them to revise their NDCs with more ambition, when they have already communicated what they can do, including with the expectation of financial and technology support from developed countries.

In addition, with the US out of the PA, the emissions gap will be even bigger and with the failure to plug the gap in the pre-2020 time frame by developed countries, expecting developing countries to do more is not fair, expressed several developing country negotiators to TWN.

Furthermore, some expressed concerns over what they see as a ‘mitigation-centric’ approach with also a lack of consideration for the adaptation needs of developing countries and a lack of clarity on what further financial resources will be provided by developing countries in the post-2020 time frame.

These concerns are bound to feature prominently in further consultations of the COP 23 Presidency with Parties in the course of the coming two weeks.

Warsaw International Mechanism for Loss and Damage*

COP23 is the first conference presided over by a small island state.

It is the hope of observers that Small Island Developing States (SIDS), in partnership with other developing countries, play a vital role at COP 23 in ensuring tangible progress on the issue of financing for loss and damage.

This can be done by demanding a two-year work process that focusses on exploring ways to generate and provide finance for loss and damage.

According to sources, developed countries are using procedural excuses to delay meaningful discussion on providing finance to developing countries on addressing loss and damage.

The 6th meeting of the Executive Committee of the Warsaw International Mechanism for Loss and Damage (WIM), (its second meeting in 2017), took place in Bonn from 11 to 13 October. The Committee has submitted its report to COP23 via the subsidiary bodies, for the consideration of Parties.

Significant decisions from the meeting are as follows:

- a. A draft of a five-year rolling work plan of the Executive Committee has been agreed, which now needs to be approved by Parties at COP 23.

- b. A clearing house for risk transfer that serves as a repository for information on insurance and risk transfer has been developed. It has been agreed to launch a beta version of the online platform at COP23 at the COP Presidency high-level event.
- c. The newly-formed Task Force on Displacement that met in May 2017 has developed its work plan. It will submit its draft recommendations in the later part of 2018.

Under the five-year rolling work plan, the loss and damage finance has been one of the most contentious issues at the ExCom, especially at its last meeting. The issue made little progress this year, too.

The discussion was mainly around implementing the decision taken at COP22 (decision 4/CP.22) to prepare a technical paper elaborating the sources of financial support, as provided through the financial mechanism, for addressing loss and damage as well as modalities for accessing such support. This paper is to be finalised by June 2019, which means nothing substantive will happen between now and June 2019.

The discussion next year will only be around the ExCom supporting the UNFCCC Secretariat in determining the scope of the technical paper.

The process regarding working with the Standing Committee on Finance and other relevant actors on the range of financial instruments and how to make them available to vulnerable countries has been postponed to ExCom meetings to be held in 2018 and 2019.

While discussion on finance made little progress in 2017, the clearing house on risk transfer got all necessary attention as well as the financial support.

Developed countries have always been keen on promoting insurance, knowing well that it can hardly address the entire range of climate change impacts. Moreover, there is no clear commitment from developed countries that the cost of insurance premiums will be borne by them and will not burden developing countries.

Hence, at issue at COP 23 will be whether speedy progress on a process to address the financing of loss and damage will be forthcoming.

The above are just some of the major issues that will occupy the attention of climate change negotiators at the Fiji climate talks.

* *Inputs from Harjeet Singh, ActionAid International*

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COP 23 Agenda Adopted, Pending Consultations on Two Items

Bonn, 7 November (T Ajit and Meena Raman) – The agenda of the 23rd session of the UNFCCC (COP 23) was adopted, pending informal consultations on two specific proposals by Parties for inclusion in the agenda.

This took place on 6 November, the first day of the annual climate talks in Bonn, Germany, which is scheduled to end 17 November 2017. The adoption of the COP 23 agenda was preceded by an opening ceremony.

Well ahead of the opening of the talks, two agenda items were proposed for inclusion in the COP 23 agenda.

The first proposal for inclusion came from the **Like-Minded Developing Countries (LMDC)** on '*Accelerating the implementation of the pre-2020 commitments and actions and increasing the pre-2020 ambition in accordance with paragraphs 3 and 4 of decision 1/CP.19*'.

The second proposal was from the **Democratic Republic of Congo (DRC)** (endorsed by **Mozambique**) on a '*Gateway to encourage, measure, report, verify and account for greater ambition from corporate entities, investors, regions, states/provinces, cities and civil society organizations*'.

The two proposed agenda items were contained in a supplementary provisional agenda ([Document FCCC/CP/2017/1/Add.2](#)).

COP23 President, Fijian Prime Minister Frank Bainimarama, presided over the opening session and said that he had carried out 'intensive consultations' with Parties over the proposed agenda items and had concluded from these consultations that while there was no consensus to include these items in the COP23 agenda, there was a willingness among Parties to exchange views and to explore ways forward.

Bainimarama therefore proposed that the additional agenda items, which were 'unique

and deserve focused attention' be given due consideration through further consultations, and that the supplementary provisional agenda be adopted with the exception of the two items, 'subject to consultations'.

He also said that further consultations on both the issues would happen under Salaheddine Mezouar from Morocco, who was the COP22 President. He said that the outcome of the consultations would be heard on Saturday, 11 November.

Bainimarama then gavelled the adoption of the agenda.

Soon after, the proponents of the proposals intervened and expressed their displeasure at the agenda being adopted without their proposals being considered and wanted to know from the COP 23 President which Parties were opposed to their proposals.

In response, the COP23 President maintained that there was no consensus among Parties to include the items on the agenda, without disclosing who were opposed to their inclusion.

The **DRC** took the floor first to say that it did not agree with the idea that an important agenda item could be postponed or put off until the future. It said that it would like to know why the two items were excluded from the agenda, and added that both the items dealt with an 'increase in ambition'. 'These items should be re-instated in the agenda and if there are Parties that are against it, they should expressly and publicly say so,' it said.

Iran for the **LMDC** said that theirs was 'not a new agenda item' and it was rather a matter of 'unfinished business'. It added that past decisions of the COP such as that taken in Warsaw in 2013 (decision 1/CP.19) had called for more ambitious and accelerated climate action to be taken in the pre-2020 period.

(The pre-2020 period refers to existing obligations under the Convention and the Kyoto Pro-

together, while the post-2020 time frame refers to the obligations under the Paris Agreement.)

Iran referred to paragraphs 3 and 4 of the Warsaw decision.

(Parties in Warsaw had resolved under para 3 *‘to accelerate the full implementation of the decisions constituting the agreed outcome pursuant to decision 1/CP.13 (Bali Action Plan), in particular in relation to the provision of means of implementation, including technology, finance and capacity building support for developing country Parties, recognizing that such implementation will enhance ambition in the pre-2020 period’.*

Under para 4 Parties also resolved *‘to enhance ambition in the pre-2020 period in order to ensure the highest possible mitigation efforts under the Convention by all Parties by:*

(a) Urging each Party that has not yet communicated a quantified economy-wide emission reduction target or nationally appropriate mitigation action, as applicable, to do so;

(b) Urging each developed country Party to implement without delay its quantified economy-wide emission reduction target under the Convention and, if it is also a Party to the Kyoto Protocol, its quantified emission limitation or reduction commitment for the second commitment period of the Kyoto Protocol...;

(c) Urging each developed country Party to revisit its quantified economy-wide emission reduction target under the Convention and, if it is also a Party to the Kyoto Protocol, its quantified emission limitation or reduction commitment for the second commitment period of the Kyoto Protocol;

(d) Urging each developed country Party to periodically evaluate the continuing application of any conditions associated with its quantified economy-wide emission reduction target, with a view to adjusting, resolving or removing such conditions;

(e) Urging developed country Parties to increase technology, finance and capacity-building support to enable increased mitigation ambition by developing country Parties;

(f) Urging each developing country Party that has communicated its nationally appropriate mitigation action to implement it and, where appropriate, consider further action, recognizing that nationally appropriate mitigation actions will be taken in the context of sustainable development, supported and enabled by technology, finance and capacity- building;)

Iran also referred to the facilitative dialogue held in 2016 (FD 2016) at COP 22 in Marrakech,

and said that Parties needed to follow up on its outcomes, adding that it had been an ‘oversight to not include the issue of pre-2020 in the COP23 agenda’ especially since it was rooted in previous decisions.

It also added that it understood that the adoption of the agenda would follow the consultations held by the COP Presidency by Saturday, while proceeding with the other work in the interim. ‘Post consultations, Parties could revisit the COP23 agenda on Saturday and adopt it,’ said Iran further.

In a strong statement, which drew applause, **India** said that the issue of pre-2020 actions was an ongoing agenda item and was very much part of a process that was mandated with arriving at a global agreement in 2015 (referring to the Paris Agreement) as well as to enhance mitigation action before 2020.

‘While we have seen rapid progress on the post-2020 agenda, we have not seen similar progress on the pre-2020 agenda. Any delayed action is going to cost us more. In the light of scientific evidence, there is no rationale for not taking up this item. This has been one of the key issues of trust and confidence among developing countries because any gap in the pre-2020 action will lead to further problems in the future. It will lead to a distribution of the mitigation gap on all developing countries,’ said India.

India also said it would like to hear other Parties’ objections on the issue. ‘We have heard that everyone wants urgent action. We would like to hear how this can be a matter of doubt or a matter that does not have consensus,’ it added further.

It further said that Parties have past decisions where there has been talk about the ratification of the Kyoto Protocol, the removal of conditionalities for further ambition, the revisiting of the emission reduction targets and the need for support for developing countries, and expressed that many of these actions have not materialised.

‘If we don’t follow the decisions we have taken in the previous COPs, what confidence do we have that the decisions taken in this COP would be honoured? What kind of confidence are we inspiring? What kind of trust are we generating in the process itself?’ asked India.

It also pointed to the irony that while the Paris Agreement had come into force (in 2016), the second commitment period of the Kyoto Protocol (2CP) had still not entered into force.

(In 2012, Parties had agreed in Doha to amend the Kyoto Protocol [KP] to incorporate the 2CP where developed countries who are Parties to the

KP would undertake aggregate emission cuts that would be at least 18% below 1990 levels. They also agreed that developed countries would revisit their emission reduction commitments by the end of 2014, with a view to increasing their ambition level. However, neither has the 2CP come into effect, nor has there been a revision of the ambition level for the emission cuts of developed countries thus far. For more, see [TWN Update 1.](#))

India indicated that the fact that 2CP had not come into force signifies that there is a ‘reluctance on the part of some Parties to really take action now and defer all the action to the post-2020 period’. It underscored the ‘need for a space for discussing the item during the COP’ and urged the COP Presidency ‘to reconsider the decision and allow Parties to have a meaningful and fruitful discussion to enable us to have some kind of a timeline, to take suitable action so that what has not been done till now is done quickly and we have some meaningful action on the pre-2020 agenda’.

Switzerland for the **Environment Integrity Group (EIG)** said while it agreed with India that pre-2020 action was an ‘important item’, this was being discussed under several other agenda items and that it was ready to engage in those discussions. It, however, said that the EIG supported the COP23 President’s approach on moving work forward through consultations.

In response, **China** said that some Parties might say that different agenda items are already looking at pre-2020 issues, but the ‘issues are not being addressed there’.

‘Even if it appeared that there are items to address the issues, they do not address them in the manner in which they should be considered. There remain gaps. In any case, if some Parties insist that they are being addressed, it would be good to take stock of the progress and have a complete overview of all matters in relation to the mandate in paragraphs 3 and 4 of 1/CP.19, and that is exactly what the LMDC is proposing,’ said China.

‘If we do not respect our previous decisions, how do we maintain the trust among Parties and how do we show the world that we are on the right track and how do we prove the effectiveness of the multilateral process?’ asked China.

China echoed India on the need for urgency, the unbalanced progress on pre-2020 issues and the

irony of the 2CP not coming into force. ‘Decision 1/CP.19 was adopted at a COP held in Poland. We will have another COP in Poland next year. It is our sincere hope that all commitments would have been fulfilled by then. We support Iran’s proposal that we have the consultation and look at the issues and reconsider the adoption of the agenda on Saturday,’ expressed China.

In response, the COP President said that a decision had been made and that they would come back on Saturday to the two agenda items and asked for Parties’ understanding.

Iran sought further clarification on the fate of its proposal and said that since there had been no objection for the inclusion of its proposal, it requested the Presidency to include the item in the agenda and establish a contact group.

‘It will not be good to let the by-gones be by-gones because we are left with only three years for the Paris Agreement implementation to begin. We would like to see it included in the agenda,’ it said further.

The **DRC** also intervened to say that Parties had exercised utmost goodwill by adopting the agenda and reiterated that its proposal too had not faced any objections. It emphasised that since the agenda had been adopted, it hoped that the consultations held would lead to a decision by the COP; otherwise the goodwill shown at the opening may no longer remain at the end of the COP and nobody would like a difficult end to the COP.

In response the COP23 President said ‘by-gones would never be by-gones’ and repeated that there was no consensus on the two proposed agenda items.

India stressed that ‘whatever discussions we have been hearing, we have not heard any Party opposing it’ and requested that the LMDC proposal be accepted.

However, the COP 23 President repeated his statement yet again, offering no scope to learn who was against the LMDC proposal.

‘I have mentioned that I have had intensive consultations with Parties and there has been no consensus on this issue,’ said Bainimarama.

The COP then carried on with its proceedings, pending informal consultations on the two remaining items.

Climate Talks Open with Call for Urgent Action

Bonn, 7 November (Zhu Zhenyan*) – The meetings of Parties to the UN Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol (KP) and Paris Agreement (PA) as well as the meetings of the Subsidiary Bodies serving these treaties kicked off on 6 November.

In his opening plenary statement, the newly elected President of the 23rd session of the UNFCCC Conference of Parties (COP 23), Prime Minister Frank Bainimarama of Fiji, said that, ‘The need for urgency is obvious. Our world is in distress from the extreme weather events caused by climate change – destructive hurricanes, fires, floods, droughts, melting ice, and changes to agriculture that threaten our food security.’

In light of such extreme events, he said, ‘Our job as leaders is to respond to that suffering with all the means available to us. This includes our capacity to work together to identify opportunities in the transition we must take. We must not fail our people. That means using the next two weeks and the year ahead to do everything we can to make the PA work and to advance ambition and support for climate action before 2020.’

UNFCCC Executive Secretary Patricia Espinosa followed by saying that in record time, 169 countries have ratified the Paris Agreement, ‘making it possible that we go from the era of hope ... to the era of implementation. Together with the (2030) Sustainable Development Agenda, we have a clear path forward to truly address climate change and sustainable development. Yet, it is an incomplete journey.’

Referring to the United Nations Environment Programme’s latest ‘Emissions Gap Report’, she said the Paris national pledges only led to a third of the reductions in emissions needed by 2030 to meet climate targets.

She listed some specific goals that must be achieved in Bonn: the negotiations are expected to

be the next essential step that ensures that the Paris Agreement’s structure is completed, its impacts are strengthened and its goals achieved. She added that there was also a need to move forward to fulfil the commitments that are due in 2020. In this regard, finance and mitigation pledges are essential, she stressed.

The Chair of the Intergovernmental Panel on Climate Change (IPCC), Hoesung Lee, also spoke at the opening ceremony. He informed Parties that over 7,500 nominations for authors for the IPCC’s Sixth Assessment Report (AR6) just ended a week ago and this showed that ‘we can draw on a superb range of talent and expertise for the IPCC’s work, as implementation of the Paris Agreement begins’.

Meanwhile, he said that work continues apace on the Special Report on *Global Warming of 1.5°C*. The special report will assess how the rise in global temperatures could be limited to 1.5°C above pre-industrial levels; the impacts of a 1.5°C world compared with higher levels of warming; and the enabling conditions of meeting this target in the context of sustainable development and efforts to eradicate poverty.

After the adoption of the COP 23 agenda, the session was adjourned and the President convened the meeting of the Parties to the KP (CMP) which took up organisational and procedural matters and was then adjourned, which was also the same case in the meeting of the PA (CMA).

The President then held the joint plenary of the COP, CMP and CMA and invited Parties to make their statements.

Ecuador on behalf of **the G77 and China** said that it was ready to engage constructively in the textual work that is needed for the operationalisation of the PA, in a manner that reflects equity and the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC), in the light of different national circumstances.

es, while continuing to enhance the full implementation of the Convention and its KP, without any renegotiation or reinterpretation of their principles and provisions.

On loss and damage, Ecuador stressed the need to fully implement Article 8 of the PA as a matter of urgency, in order to allow a better integration of loss and damage issues into the broader ongoing work of the UNFCCC, to identify and implement concrete alternatives of support and cooperation for developing country Parties that are increasingly experiencing losses and damages resulting from extreme weather events.

To facilitate this full implementation, the Group called for loss and damage to be included as a permanent item on the agendas of the Subsidiary Bodies (SBs), with a broader and more inclusive scope of inputs from all Parties that will be available at regular meetings of the SBs, including the Warsaw International Mechanism on Loss and Damage and its five-year work programme. In this regard the Group stressed the need for special financial resources from developed country Parties to cover activities and further actions in countries.

Ecuador also emphasised that it is crucial to preserve the delicate balance of the Paris Agreement in its implementation phase and to ensure that no one will be left behind. 'We must ensure transparency, inclusiveness, a Party-driven process on the basis of consensus and balance of all issues and across different bodies.'

With regard to the pre-2020 ambition, the Group stressed the need to enhance the pre-2020 ambition, providing a strong basis for post-2020 efforts under the Paris Agreement. It also called for the ratification of the Doha Amendment by Parties that have not yet done so, so as to enable its prompt entry into force and expeditious implementation of the KP's second commitment period.

On adaptation, the Group expected a concrete outcome of this COP to be the confirmation that the Adaptation Fund will serve the Paris Agreement, via decisions from the CMP and the CMA so that the following sessions of the bodies of the COP and the next COP session can decide on the arrangements pending for this to happen.

The Group proposed to construct the proper way to recognise and register adaptation efforts and measures. It emphasised the importance of the work under the Ad Hoc Working Group on the Paris Agreement (APA) in relation to further guidance to the adaptation communication in order to enhance support for adaptation in developing countries. The Group added that expert guidance for

modalities and procedures under APA should be reviewed in a comprehensive and holistic manner.

The G77 and China noted with concern that the flows to finance adaptation actions through specific multilateral funds are rapidly declining. Funds under the guidance of the COP are demanding additional unwarranted requirements that have not been agreed under the Convention and these place an additional burden on developing countries.

On finance, the Group stressed the importance of having substantial and concrete advancement at this COP. It expects that the discussions on long-term finance will help to identify the needs and priorities of developing countries, in particular on adaptation, financing, technology and capacity building, which could also assist in the establishment of a new long-term financial goal, including through a new collective quantified goal beyond the already committed and yet insufficient floor of US\$100 billion per year, in line with decision 1/CP.21.

In addition, the Green Climate Fund (GCF) has to include filling the policy gaps, Ecuador pointed out, in particular on eligibility criteria, the start of a replenishment process, and the linkage with the UN system so as to facilitate direct access to GCF funds. The sixth review of the financial mechanism will provide the opportunity to promote coherence in the climate finance architecture, it said.

On the provision on financial and technical support, the Group expressed regret over the increasing difficulties and conditionalities faced by several developing countries in accessing financial resources from the GEF, including through the establishment of programme priorities and eligibility criteria that have not been agreed at the inter-governmental level.

Deep concern was also conveyed that some developed countries are unilaterally applying eligibility criteria that are not agreed to and that limit the access of funding to developing countries under the GCF; such criteria are not compatible with guidance from the COP and are a clear departure from the letter and spirit of the Convention and the Paris Agreement. Ecuador stressed that these institutions are creating continuous additional barriers to accessing financial resources for climate action, which severely undermine the level of ambition of developing countries in the global effort against climate change. The Group expects this issue to be clearly addressed in the guidance of the COP to the financial mechanism.

On response measures, the G77 and China reaffirmed the importance of giving full consideration to identify necessary actions to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures, and to avoid the negative economic and social consequences of response measures on developing countries. The Group welcomed the pre-session workshop on modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures and looked forward to the report, inputs and recommendations from the roundtable to support the work of the improved forum. The Group also emphasised the importance of fulfilling the mandate of decision 11/CP.21 and advancing the work on the pre-2020 and post-2020 tracks on the modalities, functions and work programmes for the forum under the Paris Agreement.

Iran, on behalf of the **Like-Minded Developing Countries (LMDC)**, said that for the LMDC, the key priorities are the principle of equity and CBDR, action on the ground with respect to adaptation, redress for loss and damage, national determination with respect to our climate policies and actions, and having access to and receiving finance, technology development and transfer and capacity-building support from developed countries to undertake such actions.

Iran stressed that this COP must be ‘an implementation COP’ that fully addresses and resolves long-standing issues on adaptation, adaptation finance, loss and damage, and the provision of finance, technology and capacity-building support to developing countries. Developing country Parties can effectively implement their commitments only when developed country Parties implement their own commitments to provide the financial resources and transfer technology that developing countries need. Economic and social development and poverty eradication are the first and overriding priorities of developing country Parties.

The PA and the COP 21 decision that adopted it constitute a delicately balanced outcome on both pre- and post-2020 actions. However, the LMDC said, we have not seen any political will from developed country Parties to the Convention to increase their pre-2020 mitigation ambition nor to fully live up to their pre-2020 commitment to provide the means of implementation to developing country Parties. This imperils the trust and sense of international cooperation that was created at COP21 through the Paris Outcome, according to the group.

Iran pointed out that COP23 should accelerate the implementation of pre-2020 commitments and actions, especially by developed country Annex I Parties to the Convention. These include taking stock of the implementation by developed countries of their commitment to achieve and enhance their pre-2020 mitigation targets; their joint commitment to provide at least US\$100 billion of climate finance per year to developing countries; their rapid ratification of the 2012 Doha Amendment to the KP; and determining what further concrete actions and technical work can be undertaken up to 2020 to accelerate and enhance the ambition of the pre-2020 actions and the provision of support to developing countries. This is the reason why the LMDC suggested the inclusion of an agenda item on pre-2020 issues in the COP’s agenda, it emphasised.

With respect to the scope of the 2018 facilitative dialogue, Iran said it must include mitigation, adaptation and support in a holistic and balanced manner and focus on a comprehensive consideration of the pre-2020 gaps on actions and support that need to be addressed and the ways in which equity and CBDR and the overriding development and poverty eradication priorities of developing countries can be taken into account. The organisation of the 2018 facilitative dialogue must be simple and Party-driven, without any overdesigning beyond its mandate.

With respect to the CMP, Iran highlighted that this conference should result in the entry into force of the 2012 Doha Amendment to the KP in an expeditious manner. Five years have already passed after the Doha Amendment was agreed to in 2012, yet most developed countries have not yet ratified it. Neither have they, despite pledging to do so since 2012, revisited and increased their quantified pre-2020 emission reduction targets and mitigation efforts under the KP and the Convention. This shows a significant lack of will to urgently implement and enhance their pre-2020 mitigation targets, the LMDC spokesperson said.

On the outcome related to the implementation of the PA, Iran said it should fully reflect and operationalise the clear differentiation between developed and developing country Parties, leadership by developed country Annex I Parties to the Convention, flexibilities for developing country non-Annex I Parties to the Convention, the full scope and nationally determined nature of contributions, and linkage between the actions undertaken by developing country non-Annex Parties to the Convention and the support provided by developed country Annex II Parties to the Convention,

with no renegotiation or reopening of the principles and provisions of the Convention or its PA.

The LMDC stressed that the key elements of mitigation, adaptation, finance, technology development and transfer and capacity-building constitute a single package and should be addressed in a balanced, comprehensive, inter-linked and mutually supportive manner. This can best be done through a single draft negotiating text produced in a Party-driven manner, containing the entire package with all the elements and reflecting all Parties' options in a balanced manner. It is only in this way that we will be able to achieve the purpose of the Paris Agreement of enhancing the implementation of the Convention.

Finally, Iran stressed that balanced progress in the treatment of issues is necessary and expressed the deepest concern that the issues related to finance are left far behind, compared with the positive progress made on the other issues.

Mali spoke on behalf of **the African Group**, highlighting that COP 23 should be a COP that provides clarity and results in Parties reaching a decision for advancing our work under the different agenda items. It expects that the negotiations at COP 23 will enhance the implementation of the Convention and its Kyoto Protocol, and the negotiations on the Paris Agreement work programme will advance with a clear road map. The Group pointed to the importance of inclusivity and coherence on negotiating the Paris Agreement work programme.

On the Facilitative Dialogue 2018, Mali emphasised that this should address the pre-2020 emissions gap. It called on developed countries to find opportunities to close this gap, including through a facility to finance emission reductions, international cooperative initiatives, programmes and initiatives, amongst others, so as to avoid shifting the mitigation burden to developing countries post-2020. The Dialogue should also highlight where we are in implementing the road map to the US\$100 billion annual goal by 2020. In this regard, the African Group supports the proposed agenda item to discuss the pre-2020 issues.

It further emphasised that the Facilitative Dialogue is a mandated event under the Convention, therefore Parties should keep as closely as possible to the mandate.

On loss and damage, Mali expressed appreciation for the ongoing work on the clearing house for risk transfer, underlining the importance of the work of the clearing house for assisting particularly vulnerable developing countries and commu-

nities in implementing appropriate approaches to address risks associated with the adverse impacts of climate change.

It underscored the importance of the mandate given to the Task Force on Displacement and called for expediting its two-year work plan, as well as for adequate financial resources for implementing it. Mali stressed the importance of addressing both cross-border and internal displacement and migration associated with the adverse impacts of climate change. This important mandate should not, however, be misunderstood as allowing for the securitisation of climate change, it added.

The African Group also called for the acceleration of the implementation of the capacity-building work programme. It insisted on the urgent provision of funding for the Climate Technology Centre and Network process, in order to support developing countries to better access climate technologies.

On finance, it stressed that this is a cornerstone for the implementation of the Convention and for achieving the goals of the Paris Agreement. The workshops under the long-term finance should focus on enhancing accessibility of developing countries to financial resources. Mali highlighted that ensuring sustainable and predictable flows of finance should be a clear focus of different workstreams tackling finance issues, and in this regard guidance to the GCF and the GEF should be in line with the eligibility criteria laid down by the Parties of the Convention and its PA. The Standing Committee on Finance should focus more on the issue of securing and mobilising provisions of finance.

The African Group reiterated its strong position on the importance of the Adaptation Fund serving the PA, while securing predictable and sustainable funds and its existing governance structure.

On finance issues related to the operationalisation of the PA, the African Group believes it is important to initiate the negotiations to set a new collective quantified goal from a floor of US\$100 billion per year, taking into account the needs and priorities of developing countries. Those discussions should begin no later than next year. Furthermore, it highlighted that the operationalisation of the PA should include the full operationalisation of Article 9.5 as the main enabler to unlock the potentials of developing countries and allow for enhancing ambition. It considered Articles 4.5 and 9.5 and 9.7 together with Article 9.3 as main pillars of the post-2020 climate regime, be it under the transparency, the finance or the mitigation dis-

cussions with their direct link to enhancing adaptation actions. It further pointed out that the Group shall not be in a position to accept deferring those elements to a never-ending process under a Subsidiary Body or move forward in the clarifications of the Paris rules without significant progress on the modalities, procedures and guidelines of Articles 9.5 and 9.7.

Brazil, on behalf of **BASIC** countries (Brazil, South Africa, India and China), welcomed the 169 ratifications to date of the Paris Agreement, reaffirming that the Agreement is a hard-won achievement by the international community which enhances the implementation of the Convention in the post-2020 period and strengthens the global response to climate change in the context of poverty eradication and sustainable development, reflecting equity and CBDR-RC, in the light of different national circumstances. The Group urged all signatories to stay the course and maintain their support to the PA for the good of all humankind and our future generations.

It reiterated that the work on both the pre-2020 and post-2020 should be in full accordance with the principles of equity and common but differentiated responsibilities and respective capabilities, emphasising the importance of openness, transparency, inclusiveness and the Party-driven nature of the negotiations.

The Group recalled BASIC's request captured in the COP 22 report for pre-2020 issues to be given equal treatment at COP 23, including addressing this issue under a dedicated COP agenda item.

It expressed willingness to continue working constructively with other Parties towards the implementation of the PA, hence the need for advancing textual negotiation that reflects all Parties' views and inputs in a balanced manner to produce a comprehensive, Party-driven negotiating text covering all the matters that can serve as the basis for negotiations in 2018. Therefore, it is important that the COP23 outcome captures the range of views as a set of alternatives and that the draft guidance operationalises CBDR-RC while not reinterpreting the PA, said BASIC.

The Group reiterated that nationally determined contributions should cover mitigation, adaptation and means of implementation, taking into account differentiated responsibilities and obligations of developed and developing country Parties under the Convention and PA while respecting the nationally-determined nature of Parties' contributions. It also emphasised that adaptation is an issue that requires an urgent global response and urged

developed countries to provide adequate support to developing countries in meeting the cost of their adaptation actions.

Expressing their deepest concern over attempts by some developed countries to unilaterally apply new eligibility criteria for developing countries' access to funding under the GEF and the GCF, the BASIC group recalled that such criteria are not compatible with guidance from the COP and are a departure from the letter and the spirit of the Convention and its Paris Agreement.

Furthermore, they indicated that such attempts violate the terms of the Instrument for the Establishment of the Restructured Global Environmental Facility, as well as the Governing Instrument of the GCF, falling outside the mandate of the GEF Council and of the GCF Board on eligibility criteria. They stressed that such attempts are tantamount to re-negotiating the Paris Agreement and potentially undermine the level of ambition of developing countries in the global effort against climate change.

BASIC emphasised the need for further clarity and robust methodologies to track and account for the provision of finance by developed countries, highlighting the importance of discussing modalities for communicating indicative information on the support to be provided to developing countries. The Group also noted that effective implementation of developed countries' legal obligations regarding support will be paramount for trust-building among Parties in order to create an international enabling environment for a successful implementation of the PA.

It urged developed countries to honour their commitments and increase climate finance to at least the US\$100 billion per annum goal by 2020 which is to be scaled up significantly thereafter. BASIC called for collaboration among the various mechanisms on adaptation, finance, technology and capacity-building, as well as the Warsaw International Mechanism on Loss and Damage.

Noting that the pre-2020 gaps exist not only in mitigation but also in adaptation and support to developing countries, BASIC stressed the urgency of accelerating the implementation of pre-2020 commitments and increasing pre-2020 ambition, underscoring the importance that the Doha Amendment to the KP enters into force without further delay. They stressed further that developed country Parties should revisit and increase their economy-wide quantified emission reduction targets and that enhanced and urgent implementation of pre-2020 commitments is a prerequisite for mu-

tual trust among Parties and for building a solid foundation for post-2020 implementation and ambition, in order to ensure that subsequent NDCs do not become unduly burdensome on developing countries.

The Group looked forward to an outcome in COP 23 that gives clarity in the design of the facilitative dialogue in 2018 which will be an opportunity to consider collectively the overall progress made on the implementation of all pillars of the Convention in the global effort to address climate change. They emphasised the importance of out-

comes that lead to the identification of challenges and opportunities to accelerate climate action and support, in the context of Sustainable Development, climate justice and poverty eradication as the overriding priorities of developing countries. Developed countries, they said, must take the lead towards closing the ambition gap so as to avoid transferring the burden from the pre-2020 to the post-2020 period onto developing countries.

* *With inputs from Jade Chiang*

Developing Countries Raise Key Concerns over Issues under the SBI

Bonn, 7 November (Jade Chiang and Meena Raman) – Developing countries raised several key concerns at the opening of the 47th session of the Subsidiary Body on Implementation (SBI 47) on 6 November, which was held after the official opening of the 23rd Conference of the Parties (COP 23) to the UNFCCC in Bonn.

Presiding over the meeting, Chair Tomasz Chruszczow (Poland) reminded Parties to work diligently to deliver draft conclusions and decisions in time for adoption at the SBI two-part closing plenary scheduled for the afternoon of 14 November and morning of 15 November.

The adoption of the agenda items was smooth except for item 5 on ‘Common time frames for nationally determined contributions (NDCs) referred to in Article 4, paragraph 10, of the Paris Agreement (PA)’.

In determining the action to be taken on this agenda item, Chruszczow stated that the SBI would initiate consideration of this item and informal consultations will be held with a view to adopting a draft conclusion that would be submitted to COP 24 next year.

Work on several agenda items began right after the adoption of the agenda.

Another matter which arose in relation to NDCs was that of the public registry for NDCs and the public registry for adaptation (items 6 and 7 of the SBI agenda). Several developing countries wanted the discussions to be held together, as the matters were related. The SBI Co-chair assured Parties that the discussions on these two items will be held one after another.

Several developing countries also highlighted the importance of making progress on the issue of the Warsaw International Mechanism on Loss and Damage (WIM). This included **Sudan** for the **African Group**, the **Maldives** for the **Alliance of**

Small Island States (AOSIS) as well as **Bahamas** and **Cuba**. This discussion took place when work related to the ‘Report of the Executive Committee of the WIM for Loss and Damage associated with Climate Change Impacts’ under agenda item 13 was being launched.

Common time frames for NDCs

China speaking for the **Like-minded Developing Countries (LMDC)** raised two concerns. Based on its understanding of Article 4 (10) of the PA, it said the common time frame of NDCs will be considered by the SBI but there was no mandate to produce a decision to be adopted by the COP serving as the first meeting of the Parties to the Paris Agreement (CMA1). It cautioned that this would prejudice the outcome of the negotiations and be tantamount to a reinterpretation of the PA.

Article 4 (10) of the PA provides that the CMA ‘shall consider common time frames for NDCs at its first session’.

(Common time frames for NDCs relate to the length of the period of a contribution, as currently, Parties have communicated either a 5- or 10-year time frame from 2020 that expires in 2025 or 2030. Brazil has been advocating for a common time frame for all Parties.)

The LMDC also questioned the appointment of the two co-facilitators for the planned informal consultations during this session. It was of the view that the appointment of co-facilitators should have been based following consultations with regional groups to reflect the views and concerns of all the groups.

Chruszczow replied that he was following ‘the understanding of the Marrakech COP 22 that the entire package of the implementation of the PA should be finalised at COP 24 (in 2018). It’s kind

of a reflection of the conclusion from Marrakech that common time frame will constitute part of the implementation package’.

On the appointment of the co-facilitators (from Norway and Kenya), he explained that it is the Chair’s prerogative and responsibility to choose those from among the delegates to assist him under his responsibility in facilitating this important negotiation.

To this, **China** said the Group’s understanding of the Marrakech outcome was an oral decision that the issue will be discussed at the current Bonn session and that it is part of the ‘orphan issues’ of agenda item 8 of the Ad Hoc Working Group on the Paris Agreement (APA).

(The ‘orphan issues’ China was referring to relate to issues that have yet to be assigned under any of the subsidiary or thematic bodies of the Convention to undertake further work in relation to the Paris implementation work.)

China expressed that it did not want the SBI Chair to prejudge whether there would be a decision on the matter at the CMA in 2018. ‘We want to have substantive discussions on whether this issue would have an outcome at CMA1.3 (in 2018). We think your personal understanding should be subjected to the specific wordings of Article 4 (10) of the PA,’ it added.

It urged Chruszczow to withdraw his remarks on the need to adopt such a decision at COP 24 to avoid the prejudging of the outcome.

To show maximum flexibility, the LMDC spokesperson said, the group can agree with the two co-facilitators. However, it expressed the need for better communication in the determination of co-facilitators for such important issues.

In supporting China, **India** noted that the matter is a very important issue, emphasising openness and a Party-driven process.

Brazil said consideration of the issue means to open the consultation to a Contact Group and the mandate is for the co-facilitators to report back in the form of a draft conclusion. It said it would be difficult for other delegations if the understanding is that there would be no decisions.

‘There has to be a decision on this matter even if there is (going to be) no common time frame,’ Brazil stressed.

Chruszczow said the exchanges illustrate that the discussion started in Marrakech has not yet matured and he does not want to engage in a discussion on the meaning of words. He then conceded to the following amendments – *SBI initiate consideration at this session and Parties are invited*

to make swift progress on this matter with the view to reporting back to CMA1.

Public Registry for NDCs

On the agenda items on development of modalities and procedures for the operation and use of a public registry referred to in Article 4(12) of the PA and the development of modalities and procedures for the operation and use of a public registry referred to in Article 7(12) of the Paris Agreement, **China** for **the LMDC** proposed joint informal consultations to be co-facilitated by the same persons given that the two items are closely related in many aspects.

Saudi Arabia endorsed the LMDC proposal for a joint session.

Chruszczow noted that the two items have many overlapping issues and they should be treated as closely as possible. He said the work of these two items can be organised by having the same co-facilitators and having them back-to-back.

China for **the LMDC** said based on past experiences, the back-to-back arrangement is hampered by logistical problems with clashes of these two items with items 3 and 4 of the APA and the group would like to see support from the Secretariat on the scheduling of meetings.

Loss and Damage

COP 19 and 20 requested the Executive Committee (Excom) of the WIM for Loss and Damage to report annually to the COP through the subsidiary bodies and to make recommendations, as appropriate.

Parties at COP 22 approved the indicative framework for the five-year rolling workplan of the ExCom as the basis for developing corresponding activities. Two regular meetings of the ExCom took place in 2017 and a report has been presented to the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA). Parties are invited to consider the report and recommend draft conclusions or a draft decision resulting from the implementation of its workplan for consideration and adoption at COP 23.

The **Bahamas** was the first to intervene on the matter, stressing that there was a need to look at the WIM as a whole as to whether progress was being made following the decision taken in Warsaw in 2013. It noted the ExCom report which indicated budgetary constraints and said this needed to be addressed when discussion on the UNFCCC

Budget is had. It also said that the ExCom is not the Mechanism; there is a need to create the Mechanism.

Cuba supported the Bahamas and added that it had doubts whether there had been progress on the implementation of the WIM. It said that given the lack of effective mitigation action, climate change impacts were being felt with destruction in many developing countries, adding that an effective Mechanism was needed. The ExCom is a tool for action and financial resources are needed for the WIM to be effective in helping developing countries impacted by climate change.

The **AOSIS** said that the ExCom meets twice a year while the opportunity to address matters related to loss and damage only occurred once a year

at the COPs. It stressed the need for loss and damage issues to be brought up intersessionally during the meeting of the Subsidiary Bodies and this decision is needed at COP 23 to address the problem.

Sudan for the **African Group** commented that the ExCom report was rich and hoped that the WIM could deliver on all its functions. The most important function, it said, was action on support to enable financial resources for measures to be taken on the ground. It said that since the WIM was decided in Poland, perhaps on its fifth anniversary next year again in Poland, the Mechanism will be able to serve developing countries to address climate change.

Further discussions on the matter will be conducted under the SBI agenda at the current session to advance further work.

APA: Developing Countries Raise Concerns over Scheduling of 'Finance' Issues

Bonn, 8 November (T Ajit) – On the second day of the ongoing climate talks in Bonn from 6-17 November, developing countries called for emphasis to be given to a particular finance issue dealing with quantitative and qualitative information on projected levels of public finance by developed countries under the Ad Hoc Working Group on the Paris Agreement (APA) of the UNFCCC.

They were of the view that the issue which related to finance was not progressing at all and expressed concerns over the scheduling of conflicting consultations on finance-related issues which posed difficulties for the G77 and China.

The APA had an opening plenary morning of 7 November, which was followed by a contact group which launched work on various agenda items. (See separate article on this.)

Informal consultations on several matters of the APA agenda relating to the implementation of the PA saw discussions among co-facilitators and Parties on how to take the work forward in order to prepare a negotiating text on the issues.

The unhappiness among developing countries on the finance issue arose when Parties met at informal consultations on the matter of 'Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5 (of the Paris Agreement)'

(Article 9.5 reads: *'Developed country Parties shall biennially communicate indicative quantitative and qualitative information related to paragraphs 1 and 3 of this Article, as applicable, including, as available, projected levels of public financial resources to be provided to developing country Parties. Other Parties providing resources are encouraged to communicate biennially such information on a voluntary basis.'*)

Paragraph 1 says that *'developed countries shall provide financial resources to developing countries...'*; paragraph 3 says *'developed countries should continue to take the lead in mobilizing climate finance...'*)

The Article 9.5 issue is being handled under agenda item 8 of the APA, which discusses what Parties refer to as the 'homeless' or 'orphaned' issues.

(In Paris in 2015, the 21st session of the Conference of the Parties (COP 21) assigned various tasks related to the PA implementation to several bodies, which included the APA and the Subsidiary Bodies of the Convention. There were several matters that were not assigned to any of the bodies, which Parties referred to as 'homeless'. 'Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9.5' is one of the homeless issues, which is being discussed in the APA. For more information, read this [TWN Update](#).)

During the APA contact group, **China** emphasised the importance of the Article 9.5 as a 'life and death' issue for developing countries.

China said the issue would impact all the other elements under negotiations in the APA, and urged APA Co-chairs **Sara Baashan (Saudi Arabia)** and **Jo Tyndall (New Zealand)** to allocate more time to the issue and to appoint two co-facilitators so there could be dedicated discussions through informal consultations on the matter.

China also called for an informal note to be produced by the appointed co-facilitators on the issue. It said that such a mode of work would be consistent with the approach followed for the other APA agenda items, where each item was put in the charge of two co-facilitators who conducted infor-

mal consultations and produced informal notes to capture the discussions during the informal consultations.

India, Saudi Arabia and the African Group also supported China.

India stressed that how the issue was taken forward was crucial as it would have a bearing on the entire design of the Paris package. ‘The issue requires adequate space. We know we are developing guidelines for global stocktake, transparency arrangements and implementation of nationally determined contributions. Information (on quantitative and qualitative information on projected levels of public finance by developed countries) is very relevant for developing countries as this would contribute to each and every agenda item listed under negotiations,’ it said further.

India also said that there is a need to have proper co-facilitation on the issue, and that since the Paris package is about developing modalities, procedures and guidelines, there was an urgent need to develop modalities for the issue at hand.

Saudi Arabia supported China and said that the production of an informal note or a tool that captured progress would be helpful in assessing and ensuring overall progress.

In response, **Tyndall**, who presided over the contact group, said that the Co-chairs would look into the issue during the informal consultations on its agenda item 8, which was scheduled later in the day.

However, later in the day, when the informal consultations convened, it was marred by poor process as a result of a clash between APA agenda item 8 and an item on ‘Budget performance for the biennium 2016–2017’ under the agenda of the Subsidiary Body on Implementation (SBI), also a highly contested issue. (For more on the issue, see [TWN Update](#).)

Baashan presided over the informal consultations. She proposed that Parties discuss the issue of modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9.5.

She informed Parties that it was clear from previous discussions (at previous sessions) that there was no consensus on the issue.

She said that some Parties were of the view that the COP could mandate the APA or the SBI to undertake work on the possible additional matter; other Parties considered no additional mandate was necessary given that the work was already happening under the COP agenda item 10-f, which relates to ‘*Process to identify the information to be pro-*

vided by Parties in accordance with Article 9, paragraph 5, of the PA’; while some Parties did not agree that the COP agenda item addressed the issue at hand.

To take discussions forward, Baashan posed the following two questions to Parties:

‘(i) What are those specific additional procedural matters concerning Art 9.5 that are not being addressed by the COP under its agenda item 10 (f) and (ii) What is the appropriate forum for considering these additional procedural matters?’

However, there were very few finance negotiators from developing countries in the room.

China therefore requested that the informal consultations discuss the ‘non-finance issue’ because the finance coordinator of the G77 and China and several finance negotiators from developing countries were not present in the room.

Baashan acknowledged the issue raised by China and spoke about scheduling difficulties given that so many bodies were meeting at the same time.

She also said that the idea was to have an initial exchange of views and Parties could reflect on the issue again at a subsequent session.

In response, however, **the United States (US)** dived straight into substance and said that the COP was undertaking the work and that work should continue through 2018.

Responding to the Co-chairs’ questions, the US said that no additional matters needed to be addressed in relation to the issue.

Baashan took note of the US’s comments but wanted Parties to first reflect on whether they should proceed with the discussions on the agenda item or not.

In response, **Switzerland** said, ‘Under this agenda item, we are supposed to discuss whether we should discuss substance. We do not need finance experts here for that,’ said Switzerland.

Egypt responded to Switzerland and said that Article 9.5 was a pure finance issue and that they should not be discussing the finance issue in the absence of the G77 and China coordinator.

Australia responded to China’s proposal and said that the discussion on the only non-finance item would not work because their NDC experts were not in the room either. It added, however, that Parties were not there to discuss any substantive issue within the theme and they were only discussing whether work was progressing elsewhere and Australia was of the view that work on the issue was being conducted.

China said it did not agree with Switzerland that Parties were not there to discuss substance, and pointed to other delegations saying they had

their finance experts in the room. 'The only finance coordinator missing is the G77 and China coordinator on finance,' said China and stressed that the questions posed by the Co-chairs were very much related to substance.

The Co-chairs then consulted among themselves and acknowledged that it would be difficult to engage in four out of the five finance items without finance negotiators and assured Parties of doing their best to avoid clashes among similar topics in the future.

As an alternative strategy, the Co-chairs took Parties through the questions they had prepared on the remaining four homeless matters to take discussions forward at the current session. Baashan also said that the questions would be put up on the [website](#).

It was close to 6 pm then, towards the end of the session. A few more negotiators (from South Africa and Saudi Arabia) had joined the informal consultations just a few minutes before the session was to end.

South Africa provided the rationale for substantive discussions on the item and said that the COP item 10-f was limited in scope in that it was restricted to defining the information. 'We had put forth a proposal in relation to the modalities of communicating the information. So, this is not a procedural issue,' said South Africa. South Africa also delved into the substance of the discussions

and outlined elements, which it said should be reflected as subheadings. It also supported the proposal made by China during the APA contact group earlier in the day.

Saudi Arabia said that the process had to be transparent and inclusive and expressed alarm that the Article 9.5 issue was being discussed at the same time as budget. 'This is a very important discussion for us and this (clashing of sessions) is not acceptable. It is poisoning the atmosphere on the very second day of negotiations,' it said. Saudi Arabia asked the Co-chairs to find a solution and raise the issue with the COP Presidency and UNFCCC Bureau that Parties were unable to cope with such scheduling. 'We know Annex I Parties come with a large number of negotiators but Non-Annex I Parties have small teams and we cannot split,' said Saudi Arabia.

Baashan responded that the situation was quite unfortunate and that the Co-chairs would try their utmost to make sure there would be no clashes but that scheduling had indeed become a predicament.

Egypt proposed that since four of the five homeless items were related to finance, it would help to know beforehand which issue would be taken up at which informal consultation so that Parties could coordinate. Baashan acknowledged the comment.

The session thereafter concluded.

Call for Balance in Producing Negotiating Text for Paris Agreement Implementation

Bonn, 7 November (Perna Bomzan) – In producing the draft negotiating text for the implementation of the Paris Agreement (PA), developing countries called for balance on all elements of the PA at the opening meeting of the UNFCCC's Ad Hoc Working Group on the Paris Agreement (APA) on 7 November in Bonn, Germany.

They also emphasised the need for a Party-driven process in producing the draft negotiating text.

(The tasks related to the implementation of the PA are being undertaken by the APA as well as the various subsidiary and thematic bodies of the Convention and this work as a whole is referred to as the implementation of the Paris Work Programme.)

At the opening plenary of the APA, presided over by Co-chairs **Sara Baashan (Saudi Arabia)** and **Jo Tyndall (New Zealand)**, Ecuador, speaking for the **G77 and China**, emphasised that the Group looked forward to engaging constructively in the textual work that is needed for the operationalisation of the PA in a manner that reflects equity and the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC), in the light of different national circumstances, and in the context of sustainable development and efforts to eradicate poverty; while continuing to enhance the full implementation of the Convention and its Kyoto Protocol (KP), without any renegotiation or reinterpretation of their principles and provisions.

Ecuador reiterated 'that the work of APA should be Party-driven and undertaken in a comprehensive, balanced and coherent manner, addressing mitigation, adaptation, finance, technology development and transfer and capacity building, in a single package. To that effect, our Group and its different constituencies have provided an impor-

tant number of submissions with concrete substantive proposals and inputs that together with the submissions from the rest of our partners, should be the basis for our negotiations, of course, without limiting the opportunities for Parties to provide additional inputs that may have been omitted or that may result from the round tables or the negotiations, ensuring therefore that no one is left behind'.

Iran on behalf of the **Like-Minded Developing Countries (LMDC)** stressed that 'the implementation of the PA through what we will negotiate here should fully reflect and operationalise the clear differentiation between developed and developing country Parties, leadership by developed country Annex I Parties under the Convention, flexibilities for developing country Parties, full scope and nationally determined nature of contributions and linkage between actions by developing country Parties and support by developed country Parties. The key elements of mitigation, adaptation, finance, technology development and transfer and capacity-building, constitute a single package and should be addressed in a balanced, comprehensive, inter-linked and mutually supportive manner'.

It further said that 'to do this, a single draft negotiating text that is produced in a Party-driven manner is needed that will include all the elements and reflect all Parties' views and options in a balanced manner. Opportunities should be offered to Parties to put their views into the text in order to increase their ownership of the text'.

Mali, speaking on behalf of the **African Group**, said that it foresees an outcome of the APA as including a consolidation of the co-facilitator notes by the Co-chairs, which 'not only elevates the status of the discussions, but also presents a clear approach of addressing the linkages with other

aspects of the (Paris) Work Programme in the Subsidiary Bodies and the Conference of Parties’.

It further elaborated that ‘to ensure this concept of balance is not abstract’, Mali outlined what this means for the African Group. It referred to the ‘level of specificity and granularity of decisions’ to be taken. As an example, it said that Parties had in a previous decision adopted in Lima in 2014, where ‘we outlined minimum information to be included in the mitigation component of nationally determined contributions (NDCs). The same was not the case with adaptation where there was no minimum information defined. In our view, this constitutes an imbalance’.

‘This imbalance persists in the APA negotiations, where the four mandates on adaptation to the Adaptation Committee and the Least Developed Country Expert Group, in collaboration with the Standing Committee on Finance received vague mandates in respect of adaptation. The reports from these bodies are unsatisfactory to implement the adaptation-related provisions of the PA. COP 23 (the 23rd session of the UNFCCC’s Conference of Parties) should address the procedural aspects of these bodies, following their reports under the Subsidiary Bodies,’ stressed Mali.

‘We further need to look at balance across the different thematic areas being addressed under various bodies under the Convention. We are concerned about the balance in details pertaining to finance. The first being the different level of detail in the transparency agenda item between action and support. We are further concerned about a number of items in agenda item 8, particularly the discussion of modalities for the Biennial Communications of Indicative Support (BCIS).’

(Agenda item 8 of the APA deals with further matters related to the implementation of the PA.)

Speaking on behalf of the **Least Developed Countries (LDCs)**, **Ethiopia** stressed the urgency for climate action citing a year of devastating hurricanes, extraordinary monsoon flooding and record-breaking heatwaves that have left millions feeling the brute force of climate change. ‘This demands fair, equitable and ambitious action by all Parties that is proportionate to the scale of the challenge before us, including in the pre-2020 period.’

‘If we are listening to all those who are suffering from climate impacts, our main focus under the APA must be on progressing our work towards full and urgent implementation of the PA that we collectively adopted.’

It also called for ‘a balanced approach to negotiations going forward’ and to ‘move into text based negotiations during the upcoming APA session as a matter of urgency’.

It further urged to ‘utilise the goodwill amongst Parties to address some of the essential yet straightforward matters such as the integration of the Adaptation Fund into the PA architecture. This is an issue on which we could have a decision here at COP23, that the Fund shall serve the PA, without making any unnecessary complications’.

The Maldives on behalf of the **Alliance of Small Island States (AOSIS)** also reminded about the climate tragedy affecting several AOSIS members in the Caribbean, namely, Antigua and Barbuda, Dominica and Cuba where many in the island family are still without homes and basic services facing an uncertain future.

‘On mitigation, we recently learned that atmospheric concentrations of CO₂ now exceed 403ppm. We must raise the ambition in our NDCs as soon as possible if we are to limit global warming to 1.5 degrees Celsius.’

‘At the same time, the onslaught of extreme weather reminds us that we are falling short in delivering the resources needed to help communities adapt to climate change impacts that no longer can be avoided.’

Saudi Arabia for the **Arab Group** associated itself with the statement made by the G77 and China underscoring the principle of CBDR; maintaining and preserving the balance of the PA; balanced progress on textual content which should be consistent, detailed and standardised and on an integrated package in 2018. It also underscored the differentiation in NDCs and a comprehensive nature of Adaptation Communications with all adaptation processes linked to the global goal on adaptation.

Speaking on behalf of the **Bolivarian Alliance for the Peoples of Our America (ALBA Group)**, **Venezuela** stated that both mitigation and adaptation require predictable and sufficient means of implementation based on historical responsibility and climate justice. It further demanded that the industrialised countries compensate for their lack of action and show greater and more visible leadership. It stressed on a balanced and transparent process, without any coercive and unilateral measures, in all areas under the APA as well as other subsidiary bodies. In developing the transparency framework, there should be balance between both action and support with differentiated

treatment required by developing countries. There should be no attempt to renegotiate or reinterpret or shift the balance of the PA which is developed under the UNFCCC and therefore, needs to comply with its concepts.

Peru on behalf of the **Independent Alliance of Latin America and the Caribbean (AILAC)** stated that the integrity and ambition of the PA must be safeguarded and called towards working decisively, ensuring transparency for both mitigation and adaptation as well as means of implementation. It welcomed the historical transformation for renewable energy and a move away from fossil fuel production.

The European Union (EU) said that it relied on the presiding officers and the secretariat to present the mode of work bearing in mind that each agenda item has its own pace. It further stated that while Parties should honour balance, at the same time they must recognise the substantive differences in the items. The EU also said that while some of the items were progressing, some lacked substance. It emphasised that the EU is not convinced that compilation of submissions is the most efficient way and that it supports a mode of work that captures in text, decision proposals. It also stressed that there is a need to maintain oversight by regular stocktake.

Switzerland on behalf of the **Environmental Integrity Group (EIG)** said that technical work needs to be completed in this session with substantial notes of co-facilitators on each agenda item which is crucial for domestic digestion of numerous Parties' proposals for implementation guidelines. The co-facilitators should prepare a further iteration of informal notes which should prepare for negotiations in 2018. Switzerland called on the

Co-chairs to ensure overall balance, with a gradual deepening of substance and text in each area and a comprehensive package to be adopted together. Switzerland also said that any early harvest would erode trust and confidence in the process. In order to ensure balance, placeholders and cross-references need to be kept as some items still need more technical discussion than others. It would be useful to have a stocktake in the middle of the session.

Australia on behalf of the **Umbrella Group** stated that emission reductions are fundamental to ensure credibility and public accountability. It further stated that for the APA, the mandate includes adaptation communications, global stocktake, implementation and compliance. Speaking on the Adaptation Fund, it said that for the fund to serve the PA, there must be best-possible safeguards and operating modalities. On the overall process, it said that coherence and consistency would be helpful but that did not mean uniformity. There should be flexibility and all items can move at their own pace.

Co-chair **Sara Bashaan (Saudi Arabia)**, in the opening of the plenary, outlined the organisation of the work in the session saying that Parties will continue to work in a single contact group with a mid-session on Thursday this week and a closing meeting which will adopt conclusions. All six agenda items will be discussed through informal consultations, avoiding more than two informal consultations and having them at the same time. There will be guidance provided through daily coordination and contact meetings with co-facilitators. There will be continuation of the open-door policy and active engagement with observers including special sessions with observers, as was the approach in previous sessions. Only at Parties' request will meetings be closed.

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Developing Countries Oppose Inclusion of pre-2020 Actions in COP 23 Agenda



Civil Society demand pre-2020 Climate Action Now! Courtesy of Claire Miranda.

Bonn, 9 November (Meena Raman) – Developed countries opposed the inclusion of an agenda item dealing with implementing pre-2020 actions onto the agenda of the 23rd meeting of the Conference of Parties to the UNFCCC (COP 23) taking place in Bonn, Germany.

On behalf of the Fijian Presidency of COP 23, Morocco's Foreign Minister, Salaheddine Mezouar, who was COP 22 President, convened informal consultations among Parties on 8 November to consider a proposal by the **Like-Minded Developing Countries (LMDC)** to include pre-2020 actions in the COP 23 agenda.

The LMDC had proposed the inclusion of the agenda item which called for more ambitious and accelerated climate action to be taken in the pre-2020 period and was entitled '*Accelerating the implementation of the pre-2020 commitments and actions and increasing the pre-2020 ambition in accordance with paragraphs 3 and 4 of decision 1/CP.19*'.

(Decision 1/CP.19 refers to decisions taken in Warsaw in 2013. At the COP 23 opening on Monday, 6 November the COP 23 President, Fijian Prime Minister Frank Bainimarama, said that there was no consensus to include the proposal in the agenda, and had asked the COP22 President to convene informal consultations on the issue with Parties to consider the matter. See [TWN Update 2 for more on this.](#))

(The pre-2020 period refers to existing obligations under the Convention and the Kyoto Protocol, while the post-2020 time frame refers to the obligations under the Paris Agreement.)

Several developing country delegations spoke to Third World Network (TWN) on what transpired at the informal consultations, expressing their outrage and frustration at the stance of developed countries that included **the United States (US), the European Union (EU), Canada, Japan, Australia and Norway**, despite strong and impassioned pleas by all developing country groupings and sev-

eral individual countries to developed countries to agree to the pre-2020 agenda inclusion and plug the existing pre-2020 emissions gap caused by their lack of ambition and to honour their existing commitments.

According to sources, while expressing consensus that pre-2020 actions are important, developed countries objected to the inclusion of the agenda item, giving the excuse that pre-2020 issues were already being discussed under several other agenda items and the issue did not need any more dedicated space in the negotiations.

This was countered by strong retorts from several developing countries including the **African Group, India and China**, who pointed out with examples on how the other existing agenda items did not address the matters at hand and there was a need for developed countries to accelerate and raise their ambition in reducing the emissions gap in the pre-2020 time frame and to not shift the burden onto developing countries in the post-2020 time frame under the Paris Agreement (PA).

They appealed for urgent action, given the serious devastation and climate impacts faced recently by many developing countries, especially the small island states.

The US, it seems, said that while there was consensus on the importance of the pre-2020 actions, it did not see the need for this specific item on the agenda as Parties already had an overloaded agenda and there was no point in adding on more items, adding that the pre-2020 issues had been taken up for quite some time.

According to sources, **the EU** said that while it was clear that all Parties have to act to address the ambition gap, it did not think that having the agenda item would reduce one single tonne of emissions or add any additional finance, which added to the frustration of developing countries.

Negotiators also told TWN that there were some very strong statements and appeals by developing countries which included **Ecuador** on behalf of **the G77 and China, South Africa** for the **African Group, Saudi Arabia** for the **Arab Group, Venezuela** for the **ALBA, Colombia** for the **AILAC, India, China, St. Lucia, Brazil, Nicaragua, Dominica, Pakistan, Egypt, Malaysia, Cuba** and **El Salvador**.

Sources revealed that **Ecuador**, speaking for **the G77 and China**, stressed that the issue of pre-2020 actions was of utmost importance for developing countries to drive action in the post-2020 period and that in the agenda of the work of the COP, there was not enough recognition accorded to the topic. It also reminded the COP22 President

that during the closure of the last COP in Marrakech in 2016, the COP President had left a clear signal that pre-2020 would be addressed in detail in the following sessions and that is the reason why the proposal must be accorded due attention.

In response to developed countries, according to sources, **India** highlighted that the Warsaw decision (1/CP.19) had not been complied with and the LMDC wanted to fix timelines to realise the decision. To arguments that the issue was already under discussion under different agenda items, it cited a few examples to show that work was far from being undertaken in those agenda items.

It gave the example of an agenda item relating to the ratification of the Doha Amendment to the Kyoto Protocol (KP) (for giving effect to the second commitment period for emission reductions by Annex 1 Parties for the period 2013 to 2020) where it said that the agenda was only about providing a status update of the ratification and nothing more.

India had stressed that the Doha Amendment had not come into force and asked when this would happen. It also raised the issue of the revisit mechanism, where developed countries had agreed to revisit their emission reduction targets and raise their ambition if the conditions for doing so were satisfied.

(Many developed countries had made conditional pledges where they promised to raise their emission reduction targets in the pre-2020 time frame upon the conclusion of what is now the Paris Agreement.)

India said that Parties had taken several decisions which were not fully implemented and given the short time left to close the pre-2020 gap, there was a need to act urgently and complete the process.

India also pointed to the irony that the PA came into force within 11 months of the Agreement being adopted by Parties and asked why this was not the case with the Doha Amendment of the KP. It questioned if developed countries were 'waiting for the post-2020 period to arrive so that the pre-2020 period can be buried'.

Sources revealed that many developing countries also emphasised that the un-fulfilment of past decisions will not inspire confidence and trust that future decisions will be honoured.

Powerful and impassioned interventions were also made by several small island states such as **St. Lucia**, who underscored how the world had witnessed some of the worst weather events in the recent past and said that when Parties offer commitments to act, they must act on them and not erode

what has been agreed to and appealed for urgent action so that more lives and livelihoods are not lost. It called for specific focus on the pre-2020 action agenda.

Echoing the views of other developing countries, **China** wanted to see clear timelines on pre-2020 actions, including on when the Doha Amendment would come into effect. According to sources, it also spoke on the increasing gap in ambition, and urged developed countries to re-examine and revisit their pre-2020 targets. Instead of raising their mitigation targets, some developed countries have even re-adjusted their commitments downwards, said China.

South Africa for the **Africa Group** said that no initiatives outside the purview of the States could be a substitute for formal Party engagement to close the pre-2020 gap. Responding to developed countries who said that actions were being taken, it said that despite this, the emissions gap remained and this needs to be closed urgently. It said that a space was needed for discussing how this will be done and asked Parties not to beat around the bush and instead called on them to revisit the past decisions taken to assess whether they had been fulfilled or not.

Saudi Arabia for the **Arab Group** underscored that pre-2020 actions were the foundation for post-2020 actions and addressing the pre-2020 gap was a matter of trust.

Brazil was reported to have said that it found it ‘incomprehensible’ as to why any Party should resist having the pre-2020 item in the agenda of the COP. It also asked if all the talk of post-2020 ambition was also mere lip service.

Malaysia also asked that if Parties do not honour their legally binding commitments in the pre-2020 time frame, what can be expected in relation to any commitments in a post-2020 world?

Nicaragua pointed to several studies that showed the increasing impacts of climate change and said that the refusal by developed countries to include the pre-2020 agenda item would result in the news headline not being that the agenda item had been dropped but that pre-2020 action had been dropped from the consideration of Parties along with the science.

Sources said that after the exchange, the COP22 President asked Parties to informally meet each other and seek ways to move forward on the matter and informed Parties that he will continue with the informal consultations.

APA Takes Stock of Progress towards Negotiating Text for Paris Agreement Implementation

Bonn, 10 November (Prerna Bomzan and Meena Raman) – A stocktake session of the UNFCCC's Ad Hoc Working Group on the Paris Agreement (APA) took place on 9 November, presided over by Co-chairs **Sara Bashaan (Saudi Arabia)** and **Jo Tyndall (New Zealand)**, to assess progress on the steps towards producing a draft negotiating text of the implementation of the Paris Agreement (PA).

Bashaan informed Parties that more than 84 submissions have been received so far on the six agenda items under the consideration of the APA and that the negotiating groups have used different approaches, with some groups having synthesised inputs from Parties as preliminary materials, while others have proceeded with identification of text elements.

'The aim here is to use the wealth of material and to ensure a Party-driven and Party-owned product at the end,' said the APA Co-chair.

She further informed that the Co-chairs have been hearing from the co-facilitators that there is a desire to see next steps clearly mapped out towards producing the draft negotiating text.

Co-facilitators were then invited to report back on the informal consultations on the agenda items.

On agenda item 3 on further guidance on nationally determined contributions (NDCs) in relation to (a) their features, (b) information to facilitate clarity, transparency and understanding and (c) accounting, the co-facilitators reported that Parties have been discussing the way forward on advancing further work.

(The discussions on NDCs have been very contentious, in relation to the scope of the NDCs and how to operationalise differentiation. While developed countries and some developing countries are of the view that the guidance should only

be limited to the mitigation component of the NDCs, others such as the Like-minded Developing Countries (LMDC) stress that the guidance should encompass the full scope of NDCs which includes mitigation, adaptation and the means of implementation. The LMDC has also been stressing the need for two sets of guidance for developed and developing countries to reflect differentiation while developed countries are of the view that there should only be one set of guidance. Parties have been discussing the way forward on how best to structure the guidance to be provided, given the divergent views. The Co-facilitators were given the mandate by Parties on 9 November to provide a document for the consideration of Parties that would reflect the various views. The document is expected to be presented on 10 November for further discussions.)

On agenda item 4 on further guidance in relation to the adaptation communication, including, inter alia, as a component of NDCs under Article 7, Parties have been discussing five themes, which are the purpose, elements, linkages, vehicles and flexibilities with options. The co-facilitators reported that broader questions remain on the linkages and vehicles with a lot of ideas on purpose and elements. The preliminary material consisting of a rough list of headings and sub-headings was distributed to Parties at the second consultation on 9 November, which will be discussed on 10 November.

On agenda item 5 on modalities, procedures and guidelines (MPGs) for the transparency framework for action and support under Article 13 of the PA, it was reported that preliminary material had been prepared for the first iteration of the informal note by the co-facilitators in the first meeting and at the second meeting, Parties looked specifically

at views on key proposals by Parties that were missing and which were captured. A draft informal note is to be issued by the weekend.

On agenda item 6 on matters relating to the global stocktake referred to in Article 14 of the PA, it was reported that so far, Parties have continued to refine the ‘building blocks’ of a table populating it with views and interventions. The first iteration of an informal note is in the making and Parties have agreed to hold further discussions on the outcome. Parties also plan to dedicate a meeting to discuss how the issue of equity is to be addressed in the global stocktake. (The global stocktake is to take place in 2023, to assess the collective progress of Parties in achieving the purpose of the PA and its long-term goals in light of equity and best available science.)

On agenda item 7 on modalities and procedures for the effective operation of the committee to facilitate implementation and promote compliance under Article 15(2) of the PA, it was reported that initial discussions focused on the scope of the committee; the information that the committee receives; how national circumstances will be addressed; dialogue between the committee and Parties and the added value of the committee. In the second consultation, inter-linkages with agenda item 5 on the transparency framework was also discussed including ‘systemic issues and linkages with the PA’. A further meeting on 9 November was planned to reflect on the preliminary material posted online with the hope that a first iteration of an informal note would be possible.

On agenda item 8, on further matters related to implementation of the PA which is facilitated by the APA Co-chairs, **Tyndall** reported that the APA is considering steps and recommendations to the COP. At least six informal consultations are planned and the Co-chairs would issue iterations of the informal note. The first meeting focused on biennial communication on public finance under Article 9(5) of the PA.

(Several matters under the PA were not assigned to any of the Subsidiary or thematic bodies of the Convention to advance further work and have been referred to as the ‘homeless items’, which include ‘modalities for biennially communicating information in accordance with Article 9.5’ (which relates to ‘quantitative and qualitative information on projected levels of public finance by developed countries’) and the process for setting a new collective quantified goal on finance (paragraph 53 of 1/CP.21).)

On the Adaptation Fund (AF), it was reported that a first informal note has been prepared and

that many Parties are expecting a decision and a draft decision had been put forward to that effect. Also, many Parties have also expressed further preparatory work required for the AF ‘shall’ serve the PA.

Following the feedback from the co-facilitators, Parties were invited to provide their reflections.

Ecuador on behalf of the **G77 and China** noted that there have been different assessments on the various informal consultations. It expressed concern about the different progress, different levels of engagement and even different perspectives of how conversations will move forward in some cases. It urged for more clarity and expected a more comprehensive stocktake including a full picture of how things move in the agenda of the Subsidiary Bodies.

Ethiopia on behalf of the **Least Developed Countries (LDCs)** expressed concerns about not enough progress being made on the issue NDCs and agenda item 8. It urged Parties to focus on substantive issues rather than on long procedural issues. There is a need for further discussions on linkage between adaptation communications and the global stocktake. It underscored that climate finance is crucial and reiterated that the Adaptation Fund ‘shall’ serve the PA calling for a decision in this regard.

Saudi Arabia on behalf of the **Arab Group** firmly stated that there must be only one omnibus decision on all items for the final package on the Paris Work Programme and not different decisions on different items, reiterating that everything is equally important and that this is ‘one package’. It said that already at this stage, Parties are facing resistance from some co-facilitators to take on board critical elements that need to be reflected and that missing pieces need to be included. It stressed that judgement calls by co-facilitators and the secretariat are unacceptable and that inputs have to come from Parties, citing an example where the proposal by the G77 and China was rejected without any explanation. It made two clear comments that capturing Parties’ views must strictly adhere to the Co-chairs’ direction and must be through identifying areas of convergence and divergence and options in the material and notes.

Iran on behalf of the **Like-Minded Developing Countries (LMDC)** aligned with the Arab Group and stressed that technical views of all Parties must be captured, both convergences and divergences. All items need balanced treatment in terms of time and space. There needs to be differentiation for both pre- and post-2020 aspects in line

with Article 2 of the PA as well as equity and common but differentiated responsibilities (CBDR) of the Convention. Therefore, issues of differentiation are not to slow down or block but rather to ensure that it is well placed and regarded. It further stressed that Party drivenness must be safeguarded and that all items are delivered in one package.

China underscored that the Co-chairs have given a clear and comprehensive approach to produce the negotiating text in three layers: first, using the headings, sub-headings and elements with options as apt to identify convergence and divergence in a comprehensive manner; second, using narratives and bullet points to capture different views and third, using placeholders to identify cross references. It described the ‘first layer as the bones, second as the flesh and the third as the blood to link bones and flesh’. It said that Parties had agreed to this approach to produce a tool, the draft negotiating text, and this tool must be balanced and comprehensive. ‘At this stage,’ China said, ‘there is only flesh and therefore, there is the need for the bones and the blood.’ It also stressed the need to prioritise finance issues in Article 9.5 and the long-term finance target which is integral to the Paris package.

South Africa speaking on behalf of the **Africa Group** reiterated the importance of keeping the integrity of past informal notes. It said that it did not see ‘informal informals’ as the mode of work and encouraged co-facilitators to reflect the substantial ideas of Parties and recognise how to reflect differences. It said that reports fall short of what is required by the mandates to agenda item 4 (on adaptation communication), where specifics on adaptation provisions are inadequate. It expressed concern about the responsiveness of co-facilitators to Parties’ proposals.

The Maldives on behalf of the **Alliance of Small Island States (AOSIS)** expressed concerns about the slow progress especially on climate fi-

nance. It expected to leave COP23 with a draft text with elements to be finalised by COP24.

Peru on behalf of the **Independent Alliance of Latin America and the Caribbean (AILAC)** stated that balance is to allow each item to follow its own nature.

Switzerland on behalf of the **Environmental Integrity Group (EIG)** expressed concerns about the status and progress on the different agenda items, saying importance is being given to differences rather than on commonalities. There is a need to move from concepts to technical outcome putting aside political questions to next year. It pointed to what it saw as two major problems on all items: the issue of scope and comprehensiveness and the issue of differentiation. It called on Parties to address the full scope of the agreed mandate on mitigation, adaptation, support and transparency. On differentiation, it said different situations and circumstances had to be taken into account. It urged to stay true to the Paris mandate and move on substance in all issues.

The European Union said that most of the items under APA have found mode of work, which allowed progress. There is a general willingness seen to revise co-facilitators’ notes while other groups have proposed new notes. It said there is a lack of progress on agenda item 3 on NDCs where groups are unable to agree to a starting point and that Parties must honour what has been agreed in Paris.

Australia on behalf of the **Umbrella Group** said it was disappointed by discussions on mitigation and the transparency framework, and believed that some Parties want to work outside the mandate. It urged all Parties to be flexible about how the negotiation positions are preserved. It stressed the need to stick to the mandated Paris Work Programme and further remarked that consistency and coherence did not mean uniformity. The challenge was that all items can move at their own pace.

Celebrate 20th Anniversary of Kyoto Protocol with 2nd Commitment Period – Say Developing Countries

Bonn, 10 November (Jade Chiang) – The climate talks in Bonn could be a historic moment if Parties are able to commemorate the 20th anniversary of the adoption of the Kyoto Protocol (KP) by ensuring the entry into force of its second commitment period (CP2), said developing countries at a press conference organised by the **Like-minded Developing Countries (LMDC)** along the sidelines of the 23rd session of the Conference of Parties to the UNFCCC (COP23) on 9 November.

Walter Schuldt (Ecuador), Chair of the Group of 77 and China, representing 134 developing countries, said, ‘We are celebrating the second anniversary of the Paris Agreement adoption but we are really looking forward to the stronger celebration of the 20th anniversary of the adoption of the KP with the implementation of its CP2.’

‘All we are asking is to bring this sense of urgency (in the climate talks) to be translated into concrete actions in the pre-2020 time frame,’ said Schuldt.

He emphasised the need for urgency on ambition, and reiterated the solidarity and sympathy to victims of recent extreme weather events.

Schuldt also noted that the request to have the pre-2020 matter to be included in the UNFCCC’s COP23 agenda is not a new proposal as there is a strong linkage to the Bali Action Plan (adopted in 2007), adding that ‘we are here to support the Fijian Presidency’ and that ‘we are all in the same canoe.’

‘We recognise there are many gaps in terms of mitigation and financial support that developed countries need to address,’ he stressed.

Apart from the G77 and China Chair, other members of the LMDC also spoke at the media conference and echoed similar sentiments on the need to show urgency in addressing the ambition gap in both mitigation and finance.

Spokesperson of the **LMDC, Majid Shafiepour (Iran)** who facilitated the event, said that the LMDC, which represented 50% of the world population, had called for the inclusion of an agenda item at COP 23 which called for more ambitious and accelerated climate action to be taken in the pre-2020 period.

He added that the LMDC was trying to keep the dialogue on pre-2020 actions alive and noted the urgency to take stock of progress of the ‘unfinished business’ that remained.

(The LMDC proposal for the inclusion of the pre-2020 agenda item has not been possible due to objections from developed countries including the United States and the European Union.) (See [TWN Update 7](#))

Minister for National Policies Secretariat of the Presidency Government of Nicaragua, Paul Oquist said the pre-2020 agenda item was surprisingly dropped from the agenda of COP23 after many years of working on it.

‘(At the) Durban (2011) and Doha (in 2012), we issued blank cheques with no amount (on the level of emissions reductions on the CP2) and no date (on the duration of the commitment period),’ he recalled, in reference to decisions adopted at the 17th and 18th meetings of the COP (that launched the work which paved the way for negotiations for the post-2020 time frame that resulted in the PA and the Doha Amendment that anchored the CP2 of the KP).

(The Doha Amendment recognised the need for Parties to deposit their instrument of acceptance (of CP2) without delay in order to ensure the prompt entry into force of the amendment to the KP and also decided that Annex 1 Parties will revisit their respective quantified emission limitation and reduction commitment for the CP2 at the latest by

2014 and increase that to at least 25 to 40% below 1990 levels by 2020.)

‘Five years after Doha, the ratification of CP2 has not been fulfilled. It is, therefore, incomprehensible to talk about post-2020 when the developed country Parties failed to comply with their commitment,’ lamented the Nicaraguan Minister.

He said further that the KP’s CP2 is in ‘the intensive care unit’.

‘As a consequence, the message of COP23 would be that it does not see the urgency and that flies in the face of the climate realities and science is thrown overboard,’ added Oquist as he listed a string of extreme weather events in the Latin American region.

He also pointed out that many scientific analyses are warning that ‘if we do not get our act together by 2020 by cutting emissions drastically now for a 66% chance of keeping temperature rise to 2°C by 2100 and 50% chance of staying below 1.5°C, we can forget about the 2°C or pursuing 1.5°C limit of the Paris Agreement’. He said the technology and capital exist but what is lacking is the political will.

Additional Secretary of the Ministry of Environment, Forest and Climate Change of India, Arun Kumar Mehta said that ‘there cannot be argument that between now and 2020 is not important. (Honouring) pre-2020 commitment is to build trust and all Parties have to move together ... Delaying actions will not benefit anyone,’ he stressed.

Referring to paragraphs 3 and 4 of decision 1/CP.19 adopted at COP19 in Warsaw (2013) in which Annex 1 Parties are supposed to provide support and undertake highest possible mitigation efforts to enhance ambition in the pre-2020 period including the entry into force of the CP2, **Ravi Prasad of the Indian Climate Change Division of the Ministry of Environment, Forest and Climate Change** said that developing countries made a humble request to bring on the table the follow-up actions of those decisions.

He further pointed out that there is no space among the many agenda items to discuss these past decisions and how Parties have (or have not) honoured them.

Prasad said that timelines could be proposed in May or June 2018 for the ratification of the Doha

Amendment to ensure the coming into force of the CP2 and for submissions from all developed country Parties indicating the actions they have taken on paras 3 and 4 of decision 1/CP.19.

‘If we see this forward movement, there will be clarity, trust and commitment to take these actions forward. We hope we can take this decision at this COP to ensure that trust in this multilateral process continues and we are on track to bridge this ambition gap and be on track for post-2020 actions,’ he emphasised.

Director of the Department of Climate Change of the National Development and Reform Commission, Chen Zihua (China) underscored that the pre-2020 actions are very important not only for the LMDC but for all developing countries. He said all developing countries were very firm on this matter because they felt there is still a very big gap not just on actions but also on support.

‘The Paris Agreement already entered into force but it has been five years since the adoption of the Doha Amendment and we only have two years left to 2020. We want to highlight that this year is the 20th anniversary of the adoption of the KP and the best way to commemorate it is to put the CP2 into effect ... that will be the historical moment,’ said Chen.

‘The other action is to put in place a mechanism to realise the revisit mechanism of Doha and Warsaw with regard to enhancing ambition (of Annex 1 Parties). It is clear that the developed countries need to examine their commitment on the mitigation targets and explore ways to close the gap,’ he added.

He said Parties are busy negotiating the modalities, procedures and guidelines of the Paris Agreement but the agreement is to be implemented after 2020. It is more urgent for us to take actions now, he stressed further.

‘If we do not respect the decisions (taken in the past), how do we trust the process and lay good foundation for the implementation of the Paris Agreement?’ he asked.

The media conference was well attended, with many journalists and civil society present, and was beamed live around the climate conference centre. <https://unfccc.cloud.streamworld.de/webcast/expectations-on-pre-2020-climate-action>

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No Consensus on Way Forward on pre-2020 Issues in COP 23 Agenda

Bonn, 13 November (Meena Raman) – Consensus could not be reached on the way forward on addressing pre-2020 issues under the agenda of the 23rd meeting of the Conference of Parties to the UNFCCC (COP 23) taking place in Bonn, Germany.

On behalf of the Fijian Presidency, Morocco's Foreign Minister, Salaheddine Mezouar, who was COP 22 President, convened informal consultations among Parties on 10 and 11 November to consider a proposal by **the Like-Minded Developing Countries (LMDC)** to include pre-2020 actions on the COP 23 agenda.

(The LMDC had proposed the inclusion of the agenda item, which called for more ambitious and accelerated climate action to be taken in the pre-2020 period and was entitled '*Accelerating the implementation of the pre-2020 commitments and actions and increasing the pre-2020 ambition in accordance with paragraphs 3 and 4 of decision 1/CP.19*'.)

(Decision 1/CP.19 refers to decisions taken in Warsaw in 2013. An informal consultation was also convened on 8 November on the issue, where developed countries expressly rejected the LMDC proposal. See [TWN Update 7](#) for more on this.)

Following the discussions on 8 November, the COP22 President presented a proposal to Parties, which was the basis of discussions in the informal consultations held on 10 and 11 November.

According to sources, the COP22 President's proposal comprised three items: pre-2020 to be included as part of the facilitative dialogue in 2018; an annual stocktake and an annual high-level dialogue to take stock of collective progress on pre-2020 implementation from 2018-20; and an online portal on pre-2020 actions, where Parties could upload what they are doing on pre-2020.

According to sources, developed countries did not accept the proposal, whereas developing countries wanted to build on the proposal, even though they said that the proposal did not respond to what they were looking for. Further proposals were presented during the consultations by the **LMDC** and the **European Union (EU)**, but Parties could not reach any consensus.

Sources said that **Iran** for the **LMDC** agreed with the inclusion of pre-2020 issues as part of Facilitative Dialogue 2018, but wanted the inclusion to be based on the mandates of the Warsaw decision. It also wanted to have more concrete action than just dialogues and stocktakes, and proposed that the United Nations Secretary General be requested to organise a high-level event in New York by May 2018 for the deposit of instruments of ratification of the Doha Amendment.

Iran also proposed that developed countries should make submissions to the UNFCCC Secretariat, by May 2018, on the actions they have taken to implement the Warsaw decision, wherein they indicate information on the implementation, revisit and enhancement of their 2020 targets pledged under the Cancun decision; review and remove the conditions for enhancement of their 2020 targets; provide increased financing, technology transfer, capacity building; and a roadmap with quantified targets for the provision of financing to 2020. Iran also proposed that pre-2020 issues must be in the COP agenda as a standing item for 2018-20 and these should be captured in a formal decision.

On the other hand, sources said that the **EU** proposed that the Fijian Presidency create a space to discuss pre-2020 action during the high-level segment of the talks in Bonn (which begins on 16 November).

It seems that **Ecuador** for the **G77 and China** expressed disappointment and frustration that the

proposal by the COP22 President was so distant from the initial proposal (by the LMDC) of having a specific item on meeting the pre-2020 commitments. Ecuador also said that there should be a framework of solutions and a deadline of 2018 for countries to submit their instruments of ratification for the Doha Amendment, thus bringing into force the second commitment period of the Kyoto Protocol. Ecuador also conveyed that the proposals of the COP22 President and the EU were still far from their position to include a comprehensive treatment of pre-2020 actions and implementation in the COP.

Sources revealed that the **Umbrella Group** in particular, maintained that the pre-2020 issues were already being discussed under several other agenda items and the issue did not need any more dedicated space in the negotiations. They were also of the view that Parties had their hands full in relation to the Paris Agreement implementation work programme and could not afford to spend time on pre-2020 issues.

According to sources, **Japan and Australia, for the Umbrella Group**, objected to the LMDC proposal.

Japan referred to the LMDC proposal as ‘all talk and rhetoric’ whereas the world needed ‘action’. It also conveyed further that it took ‘great pride’ in its pre-2020 actions.

(Japan had communicated a target of 25% emissions reduction by 2020 compared to 1990 levels under the Cancun decision, but revised its target by a 3.8% decrease relative to 2005 levels, which translates into roughly 3% compared to 1990 levels.)

Australia said that there was a ‘false dichotomy’ being presented as if nothing was happening on pre-2020 action and **New Zealand** said that there was a lot of work happening.

Sources revealed that the **United States** said that except for the Paris Work Programme agenda items, all the other items on the COP agenda address pre-2020 issues. The US was also reported to have said that Parties had the responsibility to keep the agendas reasonable and not duplicate things. It supported the approach proposed by the EU.

In response to Japan, **India** reportedly stressed the ratification of the Doha Amendment and said that the LMDC was reminding Parties about their obligations and that could not be just ‘rhetoric’. It also said that Parties were faced with an ambition gap and finance gap and that the world

is 40% short to keep up with the global goal of 2°C. It pointed out that these gaps remain despite the Cancun pledges and the idea for a dedicated agenda item was so that Parties could discuss how to close the gap.

China, also in response to remarks by developed countries, wanted to know which agenda item would address the timing of the entry into force of the Doha Amendment; which item would address the enhanced ambition of developed countries; and which item would address the effective solution of support to be given to developing countries in the pre-2020 period. It also stressed that the only solution to address these matters was via the LMDC proposal.

Venezuela and Pakistan echoed India and China, while **Nicaragua** underscored that not approving the pre-2020 in the agenda would hit hard on the current negotiation processes.

Malaysia said that numbers did not lie and that more than half of the developing countries had ratified the Doha Amendment, while the number of developed countries that had done so was fewer than those in the annex of the Convention.

South Africa for the **Africa Group** said that the COP 22 President’s proposal to take stock should be in the context of the Warsaw decision and it should happen each year from 2018 to 2020. It also suggested that there should be a synthesis of information from Parties’ biennial reports (under the Convention). South Africa also clarified that the issue was not about whether existing agenda items related to pre-2020 or not. The issue is about closing the ambition gap.

Brazil agreed that the workload was heavy but asked of Parties not to hide behind procedural issues and that not including the pre-2020 agenda was ‘inexplicable’. It was reported to have said that hiding behind procedural matters indicated that some Parties did not want to enter a focused discussion on how to deal with the issue. It called on the COP22 Presidency to compile all the proposals from the floor and present to Parties for their consideration.

China also agreed with Brazil on the Presidency compiling the proposals of Parties, with attribution if possible, and added that Parties could spend some time thinking about the proposals.

In response, **the US** wanted only those proposals to be brought forward which enjoyed ‘broad support’.

The COP 22 Presidency assured Parties that he would get back to Parties on the next steps.

Developing Countries Express Concerns on Lack of Progress on Finance Issues

Bonn, 13 November (Perna Bomzan) – Developing countries, led by the **Group of 77 and China**, expressed concerns over the lack of progress on all finance-related issues due to the lack of political will by developed countries, adding that finance is the key enabler in the operationalisation of the Paris Agreement.

These concerns were raised at a stocktake session, held at the end of the first week of the UNFCCC climate talks on 11 November in Bonn, Germany and presided over by Fijian Prime Minister Frank Bainimarama.

Parties heard reports from the Chairs of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) as well as the Co-chairs of the Ad Hoc Working Group on the Paris Agreement (APA) on the progress made in the talks during the first week.

Parties also provided their own feedback on the talks, raising various issues of concern.

Elaborating further on the lack of progress on the finance-related issues, **Ecuador**, speaking for **the G77 and China**, said that one of the most important issues is the eligibility criteria for the provision of funds by the Global Environment Facility (GEF) and stressed that all developing countries are entitled to access the financial resources of the GEF. (The G77 was referring to complaints from some developing countries who had difficulties in getting GEF resources.)

In relation to the Green Climate Fund (GCF), **Ecuador** reiterated its concerns that the GCF Board has started to categorise developing countries according to their income levels, which is not recognised by the Convention or the governing instrument of the Fund.

‘These categories are in clear violation of the eligibility criteria of the Fund and cannot be the

basis for the (GCF) Secretariat giving guidance to Parties suggesting that they do not apply for grants or concessional financing for climate change,’ lamented Ecuador. It called for the rejection of this behaviour by the GCF Secretariat and said that it will insist that the Conference of Parties (COP) provide such guidance to the GCF.

On the review of the functions of the Standing Committee on Finance (SCF), Ecuador said that the G77 recognised that the Committee has made great efforts to enhance the participation of observers and that it has a key role in assisting the COP in all finance-related issues. However, due to the difficulties related to extreme weather events, and other economic and political shocks, developing country members have not been able to guarantee their participation in every session of the SCF meetings, and for this reason, it has proposed a system of alternates so that when a member is not able to attend the meetings, its alternate would be able to do so. This proposal with no budgetary implications has been objected to by developed countries without reason, said the G77.

On the process to identify the information that developed countries will present under Article 9.5 of the PA, Ecuador said that while there is willingness of developed countries to limit discussions on types of information already being reported under the biennial reports and under biennial submissions on strategies and approaches to mobilise climate finance, there was however a lack of will to discuss modalities to report that information.

‘Without these modalities, like common formats, definitions, underlying assumptions and methodologies, the information that will be presented on expected levels of financial support will be rendered incomparable, impossible to aggregate and useless to have a global picture of climate finance to be provided, which limits developing

countries planning on their implementation of the PA and their nationally determined contributions (NDCs),’ said Ecuador.

As regards the Adaptation Fund serving the PA, Ecuador expressed regret over the lack of will by developed countries to have a decision saying that the Fund shall serve the Agreement.

‘We are stuck in discussions on the strategic role of the Adaptation Fund within the broader climate finance panorama, or on the conditions to engage in these discussions, like the definition of every detail and arrangement for the Fund to serve the Agreement, when these arrangements can be developed until 2020,’ expressed Ecuador. It urged developed countries to demonstrate political will for a decision at this COP, particularly taking into account the importance of this Fund to developing countries and Small Island Developing States (SIDS) in particular.

On the issue of adaptation, it reiterated the high priority of this issue particularly in the current context of the increasing occurrence and severity of extreme weather events and the costs involved. It said that the G77 has worked hard in this session to continue having a common position on adaptation, especially with regard to the provision of guidance on adaptation communication (as part of the NDCs under the PA).

‘One of the key points of this guidance is the support needed from developed to developing countries in order to implement Article 7(13) of the PA, considering the need for public and grant-based resources for adaptation as provided for under Article 9(4),’ said Ecuador.

On National Adaptation Plans (NAPs), it said that there were still multiple challenges that developing countries faced in accessing financial support for the development and implementation of NAPs from the GCF and called for easy and simplified procedures by the GCF for the NAPs’ readiness and implementation facilities.

On the issue of loss and damage, the G77 was concerned about how extreme weather events have affected developing countries in a more frequent and destructive manner than ever and there is no effective approach to address the loss and damage associated with slow onset events related to climate change. It called for the full implementation of Article 8 of the PA on loss and damage and relevant decisions of the UNFCCC. There is a need for special financial resources from developed countries for activities and actions in developing countries in this regard and for the loss and damage issue to be a permanent item on the agendas of

the Subsidiary Bodies (which is not currently the case). This is needed to fully operationalise the Warsaw International Mechanism on Loss and Damage (WIM), said Ecuador further.

With regard to agriculture, the G77 called for a decision at the COP following the years of work on this issue and was concerned over the resistance of developed countries to address this. ‘Not arriving to any outcome again, would be a very bad sign,’ said Ecuador as agriculture is a vulnerable sector and the basis of food security.

On the issue of capacity building, Ecuador said that there were still gaps with regard to strengthening work on capacity building and registered disappointment with lack of progress in finalising textual proposals, with some Parties seeming to block progress. ‘The current resource constraints have an effect on the mandate of the Paris Committee on Capacity Building (PCCB) to fully implement its work plan, aimed at achieving the goals as set out in Article 2 of the PA,’ it said further.

It also re-emphasised ‘the urgent need to enhance pre-2020 action and support in finance, technology and capacity building’ and ‘looked forward for the assessment of progress made on the implementation of the Warsaw decision (referring to decision 1 C.P/19 paras 3 and 4)’. It reaffirmed the high importance of this issue, in particular in the context of the 20th anniversary of the Kyoto Protocol (KP) and stressed that the increasing adverse impacts of climate change in developing countries remind us that we need climate action and support now, and not only after 2020.

Mali on behalf of the **Africa Group** expressed concern on progress being made on finance and adaptation issues. ‘Firstly, we are concerned about developed country Parties not fulfilling on their obligations under the PA. Developed country Parties have an obligation in Article 9(5) for biennial communications of indicative support... We would underline this as an important provision that should be operationalised post-2020. The African Group has presented a draft decision as a Conference Room Paper to the APA Co-chairs as an important aspect of the COP 23 package.’

‘We would like to highlight the urgency of starting as early as possible the process towards identifying the new collective goal of finance ... as early as possible, taking into consideration the experience related to the existing finance target of US\$100 billion annually by 2020, which has not been addressed satisfactorily eight years down the line,’ said Mali further.

‘Secondly, the adaptation negotiations under the APA are regressing, rather than progressing. Adaptation is a priority for African countries, and we emphasise the need of ensuring that this agenda item presents a level of specificity that responds to pursuit of balance between adaptation and mitigation.’

It also called for the provision of a permanent space to discuss the issues of loss and damage and looked forward to the establishment of an expert group on action and support with availability of financial support from the core budget of the Secretariat to enable the WIM Executive Committee and its sub-committees and task forces to implement their work.

It also emphasised the importance of pre-2020 actions and that ‘this process and international cooperation is built on trust and how some partners are engaging on pre-2020 aspects is rather concerning. In fact, six developed country Parties conditioned ambition in their Cancun pledges on the adoption of the PA. Therefore, it becomes a question of trust when some of these Parties do not engage positively on the proposed agenda item on pre-2020,’ said Mali, referring to the proposal by the **Like-minded Developing Countries (LMDC)** for including the pre-2020 issue on the agenda of COP 23.

Iran on behalf of the **LMDC** clearly stated that pre-2020 issues are extremely important and must be tackled head-on by this COP. ‘Agreements have been made ever since Durban in 2011, Doha in 2012, up to Paris in 2015 regarding the balance between pre-2020 and post-2020 action,’ it added.

It said that LMDC members are living up to their word, as their pre-2020 nationally appropriate mitigation actions (NAMAs) and post-2020 NDCs are ambitious and are being implemented and hence, they are responding to the commitments they have made.

‘Developed countries in 2012 promised to review and enhance their pre-2020 pledges once a post-2020 agreement is reached with developing countries being part of it in terms of having commitments; we already have the PA entering into force in 2016, but we haven’t seen any movement in terms of enhancing their pre-2020 mitigation targets. In fact, we have seen the opposite, with some countries reducing their pre-2020 targets, most others not ratifying the Doha Amendment, a few not yet ratifying the PA, and one deciding to leave the PA altogether.’

Iran further said, ‘Developed countries also promised in 2012 and in 2015 to provide new and additional financing, technology, and capacity

building to developing countries to help them with their pre-2020 and post-2020 actions. What we have seen is a lot of recycling and double counting of financial flows that nevertheless fall short of what is needed, virtually no technology transfer other than on commercial terms, and capacity building that is focused on getting developing countries to attend seminars and workshops on reporting on their actions and hire consultants from developed countries.’ Additionally, ‘what we are seeing now is that the negotiations related to finance, technology and capacity building are being blocked by developed countries’.

‘In the APA negotiations, we see developed countries working hard to rewrite the PA. What happened to all of those statements from other developed countries, after one developed country announced its intention to withdraw from the PA but that it could re-enter if the Paris Agreement is renegotiated to suit it better, that they would not agree to rewrite or renegotiate the PA?’

‘The LMDC has always been open to seeing other Parties’ positions and negotiating with other Parties; but what we are seeing now is a concerted effort by developed countries to drop the G77 and LMDC proposals from the table in order to focus further negotiations only on developed countries’ positions. This is not negotiations in good faith, and further erodes trust. Censoring other Parties’ views from being included into the negotiating texts as the basis for negotiations is clearly not in good faith,’ it added further.

Ethiopia on behalf of the **Least Developed Countries** expressed concern that under the Paris Work Programme, negotiations under the different thematic areas are progressing at different pace with different formats for textual outputs. ‘This creates the potential for important linkages between items to be lost. We must capture the progress made at this session so that next time when we meet we should be able to engage on textual mode of negotiation,’ it said further.

It continued to call for progress in the negotiation room, to reach a simple procedural decision that could be made quickly and easily that the Adaptation Fund ‘shall’ serve the PA. It also stressed that for the LDCs, it is of vital importance to have loss and damage considered and make progress on the remaining time in this session. It called for clear progress on transparency of support, in addition to scaled-up finance far beyond current pledges.

Ethiopia acknowledged the critical importance of the pre-2020 agenda item and urged Parties to accept the bridging proposal made after the

wide consultations by the COP Presidency, as a pathway to address the cross-cutting issue of pre-2020 action.

The Maldives on behalf of the **Alliance of Small Island States (AOSIS)** highlighted as essential priority, in the design of the 2018 Facilitative Dialogue, to find a creative way to ensure the findings from the Intergovernmental Panel on Climate Change's 1.5 degrees Special Report are taken up in the process before the COP, possibly as an event in conjunction with the pre-COP or as an intersession. It further stated that loss and damage is an absolutely priority for the group.

'Our three main asks from this COP are, firstly, ensuring there is significant profile raising of loss and damage and that we are assured to be given a chance to discuss this matter inter-sessionally. Secondly, we want to ensure that the expert group be established under the "action and support" work stream of the WIM Excom and thirdly, we want to ensure that there is linkage of loss and damage to the Financial Mechanism of the Convention.'

On the Adaptation Fund, it was disheartened by the lack of engagement on the essential issues to have a decision that will finally confirm that the Fund shall serve the PA. 'It cannot be that a Fund that has been effectively delivering support to address the needs of our small island developing states, a Fund especially dedicated to adaptation, is being excluded on a technical basis.'

It also reiterated that fulfilling our pre-2020 commitments is essential to achieving our Paris goal.

Saudi Arabia on behalf of the **Arab Group** firmly stated that it looked forward to 'one single text' and 'one omnibus decision' and that the 'balance' of a successful PA must be retained. It further stated that it ratified the PA on the balance achieved so this must not be lost in the whole operationalisation of the PA. A 'Party-driven' text subject to reiteration with minimum interference from the Co-chairs and co-facilitators must be ensured so that the text is owned by all Parties.

Peru on behalf of the **Independent Alliance of Latin America and the Caribbean (AILAC)** expressed concern that certain issues that are at the essence of the PA have not made progress, especially in relation to the NDCs guidance and strengthening action and ambition in the pre-2020 which is of greatest importance to achieve the long-term goal of the PA. It called for the inclusion of

the topic in the agenda and further expressed concern that following consultations, there is still no decision on this issue.

Australia on behalf of the **Umbrella Group** said that constructive and creative ideas are needed to overcome differences while some Parties are proceeding to work outside of the PA mandate. It stated that new agenda items (referring to the LMDC call for inclusion of pre-2020 issues in the COP 23 agenda) have not been helpful and urged Parties to be flexible while preserving their negotiating principles to ensure all items move at their own pace. It further said, 'moving means moving and not stalling'. This COP must deliver significant outcomes to demonstrate to the world that we are on track to deliver.

The European Union (EU) said there has been moderate progress in the APA agenda items and that it did not recognise a lack of political will. Parties should remain focused and honour the balance of the PA recognising the substantive differences and that it is important to allow progress in accordance with the substance.

On the design of the 'Talanoa Dialogue' (2018 Facilitative Dialogue), it said a mature design was being reached. It also looked forward to progress on decisions as regards the local communities and indigenous peoples' platform and gender and climate change.

It further said that there is no disagreement on the importance of pre-2020 issues and that to the EU it was well on track to achieve 20% emission reductions below 1990 levels with 23% reductions in 2016. Collective ambition is, therefore, needed to fill the emissions gap. Additionally, it has systematically increased climate finance support with US\$20.2 billion in 2016.

Switzerland on behalf of the **Environmental Integrity Group (EIG)** expressed concern about the slow progress in the first week in relation to the Paris Work Programme and regretted that after six days, there has been no move towards technical discussions as expected in view of the work and limited time. It stressed that it is of great importance to ensure negotiations swiftly move to technical discussion next May. Parties have to leave this COP with a clear mandate, with the co-facilitators providing materials and documents to all Parties in technical discussions, which is urgently needed in this COP.

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Addressing 'Equity' in the Global Stocktake under the Paris Agreement

Bonn, 14 November (TWN) – On 11 November, Parties to the UNFCCC's Ad Hoc Working Group on the Paris Agreement (APA) had an interesting exchange on how equity can be operationalised in the global stocktake (GST) that will take place in 2023.

The special session under the informal consultations on the GST was organised following requests from Parties to discuss the various aspects of equity in relation to Article 14(1) of the Paris Agreement (PA), which provides that *'the Conference of the Parties serving as the meeting of the Parties to this Agreement (CMA) shall periodically take stock of the implementation of this Agreement to assess the collective progress towards achieving the purpose of this Agreement and its long-term goals (referred to as the "global stocktake")*.

'It shall do so in a comprehensive and facilitative manner, considering mitigation, adaptation and the means of implementation and support, and in the light of equity and the best available science.' (Emphasis added.)

There were various views from Parties on how equity can be operationalised in three activity areas of the GST process which involves: the preparatory phase, which includes gathering information from different sources; a technical phase, which involves holding dialogues; and a political phase, which involves the outcome of the GST.

These activity areas are captured in what Parties refer to as the 'building blocks' of an informal note prepared by the co-facilitators, which is expected to be agreed upon in the coming days as talks are scheduled to end on 17 November.

Further, on 13 November, Parties requested the co-facilitators to reflect the discussions on equity better in the building blocks.

Below are some of the highlights of the interventions during the special session.

Speaking for **the G77 and China, the Philippines** said equity was a cross-cutting element and that it must be made operational in the different activities of the GST process, and this would include the information-gathering stage for mitigation, provision of adaptation support, financing and technology, and assessing how much has been provided by developed countries against their commitments.

Equity in the GST is also about how Parties individually and nationally determine how equitable and fair their successive nationally determined contributions (NDCs) will be. It also said that in the outcome of GST, equity would mean how much Parties want to enhance their successive NDCs and it would be up to Parties to do that, underscoring that equity is about ensuring fairness.

Speaking for the **Africa Group, Ghana** said equity means reflecting the right of developing countries to sustainable development and poverty eradication, and how developing countries can be helped to achieve these through the operationalisation of the differentiated obligations in the PA.

Ghana also said that equity in the GST should be an overarching principle and in the different activities of the GST, there should be support for developing countries to participate in the discussions. It underscored that non-state actors from developing countries should be provided support to ensure there is a geographic balance in their participation in the GST process.

Speaking for the **Arab Group, Saudi Arabia** said, 'As GST is focused on the collective progress of Parties, it should help identify barriers related to the implementation of the Paris Agreement, especially with regard to helping developing countries overcome obstacles in order to enhance their actions. It should also identify the impact of those

actions and the effects of the implementation of response measures under the Agreement to ensure a cohesive understanding of actions and impact.’

Saudi Arabia also said that the mechanism in place should ensure ‘sustainable development, equity, considering individual developing Parties’ national circumstances and limitations, as well as take into account the different roles and responsibilities between developing and developed Parties, highlighting how developed countries are taking the lead’.

Saudi Arabia also said that the mechanism should not entail any undue burden on Parties, and its outcome should be recognised and agreed to by all Parties. Saudi Arabia said that equity is directly linked to sustainable development and the impacts of response measures.

Speaking for the **Least Developed Countries (LDCs), Solomon Islands** said that equity is about how the LDCs would be protected and how the have-nots would be helped.

India underscored that equity under the GST is no vague concept, and neither is the concept of equity new. It said that equity has been a part of the Convention’s various Articles and the principle of common but differentiated responsibilities (CBDR), which is a form of equity. India added that the special circumstances of developing countries, sustainable development and poverty eradication are all examples of how equity can be operationalised in the GST.

India said that equity could be understood in the context of equity for an individual, where an outcome would affect all individuals equally, and gave the example of per capita emissions.

It also said that equity considerations should also entail looking at the development stage of a country, which would look at indicators such as consumption patterns, historical accumulation of greenhouse gases, etc. ‘Thereafter the global goal needs to be looked at. The nations that have enjoyed the benefits of development have limited the available carbon space for those nations that are not on a high development trajectory. Equity will help the latter attain their development goals,’ stressed India.

It said further that inter-generational equity needs to be employed to understand equity, adding that sufficient natural environment needs to be provided for future generations to survive and it is an imperative for Parties to focus on sustainable patterns of consumption and production.

Various options exist to operationalise equity in the GST process, said India, and pointed to per

capita emissions, historical emissions, ability to pay, etc. For the preservation of future development opportunities composite indicators like the human development index could be used, it added.

It also stressed that the process and the outcome of the GST process should capture equity. ‘Countries which have enjoyed the carbon budget are not reducing emissions at the same scale which allows a just distribution of the budget. Equity in the GST must pave the way for development space and carbon space for developing countries,’ said India.

China said there are three ways to reflect equity: historical responsibility of developed countries; capacity to provide solutions to the global problem of climate change; and recognising there are different rights at stake, including the right to development. It also said countries must not follow a one-size-fits-all approach and that the GST must look at the distribution of actions that countries have undertaken.

It said further that in the information gathering stage, historical responsibility, the different development stages of countries and national circumstances should be considered. During the technical consideration, the focus should be to ensure that all Parties, especially developing countries, have their capacities enhanced to address climate change. China also called for equity in the process and for supporting the participation of developing countries in the GST process.

South Africa said that equity is a matter of fairness and helping those with less capacity to meet the gaps in action and to enable ambitious action. Equity is not about agreeing on single indicators, but to have an aggregation of what fairness means. It referred to historical responsibility and the contribution to temperature increase, and the capacity of countries, to determine fairness.

On the sources of input, South Africa said there exists a lot of information and there should be a call for inputs and analysis on equity. For the technical phase, equity is about looking at mitigation, adaptation and means of implementation, and ensuring that poorer countries do not suffer more. Funding for adaptation is a matter of equity and technical considerations should therefore look at who will pay for the gap in finance, technology and adaptation.

Equity is not about Parties having a mathematical formula because it is nationally determined, said South Africa. It also referred to the equity reference framework (ERF) proposal of the Africa Group, and said that the ERF could be used

to determine whether countries' NDCs are fair and ambitious.

Brazil said Parties should not spend too much time talking about the details of how equity could be defined because equity itself should be discussed in 2023 and reflected in the outcome in terms of fairness and ambition for the successive NDCs of Parties.

It also said that equity in the information-gathering phase would mean gathering from the inputs on equity from various sources, including the Intergovernmental Panel on Climate Change (IPCC). For the technical consideration phase, equity means looking at all the inputs and trying to put an equity frame, depending on how the 2023 process plays out.

Equity in the political consideration means Parties should be enabled to have some reference or guideline as to how equity is considered by Parties in preparing their successive NDCs and could include references and benchmarks.

Brazil emphasised that the consideration of equity issues could happen at the national level in consultation with national stakeholders. On the national part, Brazil said it could for instance use global mean temperature increase as an objective criterion to demonstrate how ambitious its NDC is.

For **Norway**, equity means an integrated way of working and capturing the notion of fairness while walking together on different pathways to contribute to climate action. It said that in practical terms, equity should be addressed in mitigation, adaptation and means of implementation (finance, technology development and transfer, capacity building). Equity must be given balanced consideration to each of the topics, said Norway.

For mitigation, the GST should be used as a space where Parties share experiences and elaborate how they accounted for equity in their previous NDCs.

Norway called for looking into the social dimensions and said Parties must share experiences and challenges but caution must be exercised that it should not be used for 'naming and shaming'. It also said that there could be no shared criteria for determining whether the Parties' previous NDCs were ambitious or not.

For adaptation, equity involves understanding better climate change impacts impacting the people, it added further and in relation to the means of implementation, equity means looking at the overall flows, the balance between mitigation and

adaptation, and the provision of grants to LDCs and SIDS.

The European Union (EU) said that equity could serve as a bridge between the long-term goals of the PA and the nationally determined actions in a manner where the latter contributes to the long-term goals. The EU said that in the inputs stage of the GST process, equity must be reflected by being inclusive in relation to sources of inputs, which may include IPCC reports, reports of the Standing Committee on Finance, synthesis reports by the UNFCCC secretariat and the transparency framework.

For the technical consideration phase, equity should be considered in mitigation, adaptation and finance in three separate dialogues and the dialogues must also focus on how international cooperation could be improved, said the EU. For the political phase, equity should be in the form of a political discussion focusing on how the outcome of the GST could be taken by Parties to frame their NDCs in a nationally determined manner.

Switzerland said there was no need to settle on the various approaches to operationalise equity at present because Parties could work on it over the forthcoming years. It said that equity is bottom-up and about an aggregated assessment of the previous NDCs serving as the basis to inform the subsequent set of NDCs. In terms of information from sources, it called for information from all sources, including civil society. It said that equity in the process means a joint contact group of the subsidiary bodies, with something such as the 'structured expert dialogue' to assess the information.

For **Canada**, equity means fair access to the economic benefits of climate action. In the context of the GST, Canada said Article 2(1)(c) of the PA should serve as the basis for considering equity.

(Article 2(1)(c) provides as follows: '*Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.*')

Canada also said that there should be a synergistic consideration of mitigation, adaptation, means of implementation and development issues. It added that part of the equity consideration in the GST is to invite other international organisations to provide inputs on investment flows going into green investment sectors.

Japan said the challenge is to agree on a set of indicators on equity, and that equity for GST means 'inclusiveness'.

Australia said that equity was already reflected in differentiation and in national determination and that equity should realise and enable ambition over time, based on trust. Equity in the GST process means inclusiveness, extending to non-party inputs, it said further.

New Zealand said equity has been dealt with in the Convention, through CBDR and flexibility, which were already captured in the PA. It also said that equity in the GST is about participation and about assessing the global collective progress and in ensuring that the voices of those that are not being heard are heard. It gave the example of indigenous

peoples' voices. It also said that the purpose of equity in the GST process should not be to address inequity, and that Parties should not look at carbon space since the way forward for countries is to go the renewable energy route.

In response, **the Philippines** said that while shifting to renewable energy is an important part of the conversation, as part of equity, discussions must also look at who controls technologies and who owns technologies. 'When we talk about equity, it is about how to make the GST a process and result which encourages those who have to help those who have less and those who have not,' it stressed further.

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Heads of State Arrive as Parties Continue to Iron out Differences

Bonn, 15 November (TWN) – With three days left for the climate talks to conclude in Bonn, Germany, Parties are hard at work to iron out the remaining differences, as Heads of State and Government have arrived for the high-level segment which opens afternoon of Wednesday, 15 November.

The opening of the high-level segment of the climate talks is expected to be attended by approximately 25 Heads of State and Government, and will be presided over by Fijian Prime Minister, Frank Bainimarama, who is President of the meeting of Parties to the UNFCCC, Kyoto Protocol and the Paris Agreement.

It will also be attended by Frank-Walter Steinmeier, President of the Federal Republic of Germany, António Guterres, the Secretary-General of the United Nations, Miroslav Lajcak, President of the UN General Assembly and Patricia Espinosa, UNFCCC Executive Secretary. The high-level segment will see nearly 175 statements being delivered by Heads of State and Government as well as Ministers.

Unlike other climate talks of the past where the last remaining days are usually mired in a frenzy, there is an unusual and relative calm in the conference centre with what appears to be the resolution of some major sticky issues, except in finance-related matters.

Delegates dealing with the issues on finance matters under the 23rd meeting of the Conference of Parties to the Convention (COP 23) and the Subsidiary Body for Implementation (SBI) are in deep discussion to resolve outstanding differences, which could go on till the final hours of the talks.

The subsidiary bodies of the UNFCCC, the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the SBI, held the first part of their closing plenaries on Tuesday, with the next part concluding on Wednesday. (See below for more details.)

The Ad Hoc Working Group on the Paris Agreement (APA) also convened a contact group meeting on 14 November to discuss the draft conclusions to be adopted. (See details below.)

Possible decision on pre-2020 actions

Sources revealed that a decision could be reached on addressing pre-2020 issues, as informal consultations on the matter continued late evening of 14 November. (See TWN Updates [2, 7, 10](#) on the issue.) The **Like-minded Developing Countries (LMDC)**, with the support of the **G77 and China**, has been pushing for an agenda item to address pre-2020 issues that relates to the implementation of previous decisions taken to accelerate and increase mitigation ambition.

According to sources, after the informal consultations held last week, the COP22 Presidency (who conducted the consultations on behalf of the COP23 Presidency) held bilateral meetings with several individual Parties to arrive at a way ahead. Sources revealed that Parties may have arrived at a compromise on the way ahead.

The compromise may involve a decision calling for submissions by Parties by the May session of climate talks in 2018 on how Parties have responded to the decision taken in Warsaw in implementing their commitments under paras 3 and 4 of decision 1/CP.19. Sources say the compromise may also involve requesting the UNFCCC secretariat to prepare a synthesis report based on the submissions of Parties, which will provide inputs to a stocktake to be held next year.

In addition, the 2018 facilitative dialogue is also expected to address pre-2020 actions, apart from looking at the nationally determined contributions (NDCs) of Parties under the Paris Agreement.

It seems that there will also be a letter from the COP23 Presidency and the UNFCCC Executive Secretary to urge Parties to the Kyoto Protocol to ratify the Doha Amendment to the Protocol to give effect to the second commitment period.

The COP22 Presidency is expected to convene another informal consultation on 15 November to discuss the compromise proposal and if there are no further objections, this will be captured in a COP decision.

Deadlock over finance issues

A number of finance issues, however, remained deadlocked. These include review of the functions of the Standing Committee on Finance (under the SBI); long-term finance (under the COP); and the Green Climate Fund (GCF).

On the review of the functions of the SCF, the draft conclusions presented to Parties were not accepted as key proposals of developing countries were missing from the draft conclusions, especially in relation to text on alternate member arrangements for the SCF.

Developing countries had put forth a proposal to include alternate members to attend the SCF meetings but this proposal was objected to by developed countries.

Also at issue was whether the SCF should continue providing guidance to the operating entities of the Financial Mechanism of the Convention (the GCF and the Global Environment Facility [GEF]). While developing countries were in favour of the SCF continuing to provide guidance to the GCF and GEF, developed countries were against continuing with the practice.

Another contentious issue was in relation to the frequency of forums organised by the SCF. While the developing countries wanted to continue with the existing practice of conducting forums annually, developed countries wanted to discontinue the practice and wanted the forums to be held biannually.

Since there was no consensus, the draft conclusions, with bracketed paragraphs, were forwarded to the SBI Chair for his further consideration.

During the discussions on long-term finance on 14 November, co-facilitator **Zaheer Fakir (South Africa)** presented a draft decision text to Parties. However, both developing and developed countries expressed concerns over key issues with respect to the draft decision. Developing countries wanted a paragraph deleted in relation to the multilateral development banks.

The paragraph proposed was as follows:

‘Acknowledges the steps taken by Parties and multilateral development banks in developing methodologies on reporting climate finance and their increased efforts to mobilize climate finance, and encourages multilateral development banks to enhance their cooperation in scaling up climate finance and improving their methodologies on reporting climate finance.’

Besides this, developing countries wanted the key messages from the 2017 in-session long-term finance workshop captured in the draft decision. They also wanted language on assisting developing countries in assessing their NDC-related needs and priorities included in the draft decision.

Developed countries on the other hand wanted language recognising the progress they have made towards the 2020 goal of US\$100 billion included in the draft decision.

There were other disagreements on a host of other issues such as financing for adaptation, developed countries enhancing information about the US\$100 billion pathway, and the timing of the compilation and synthesis of developed countries’ biennial submissions.

Another version of the draft decision is likely to be issued and Parties are expected to continue consultations on long-term finance.

Ad Hoc Working Group on the Paris Agreement

The Ad Hoc Working Group on the Paris Agreement (APA) is set to convene its closing plenary on 15 November, following the convening of a contact group meeting on 14 November, where Co-chairs **Sara Baashan (Saudi Arabia)** and **Jo Tyndall (New Zealand)** presented draft conclusions of the session to Parties for their consideration.

Informal consultations on the various agenda items of the APA have resulted in the production of [informal notes](#), which capture Parties’ views and are expected to be the material used for further negotiations next year.

At the the contact group Parties wanted the informal notes by the co-facilitators to be annexed to the draft conclusions.

According to the draft conclusions presented during the contact group, a few contentious issues emerged in the areas of whether there should be a call for submissions on how to advance work on substantive issues in order for the APA to complete its work by December 2018; whether the Secretariat should prepare technical papers and synthesize the substantive content of the submissions; and

whether there should be an additional session in 2018.

There was no consensus on any of these areas. Following the discussions, the Co-chairs presented a revised iteration of the [draft conclusions](#), which was posted on the UNFCCC website at 9 pm on 14 November.

According to the draft conclusions, the call for submissions on substantive issues was replaced with a ‘general call for submissions by Parties’, while noting that focused ‘textual proposals would be most helpful in allowing Parties to focus on substance in their deliberations on the APA agenda items’.

The reference to the Secretariat synthesizing submissions has been deleted.

On the additional meeting, the revised draft conclusions reflected that given the considerable amount of work required to fulfil its mandate by COP24, ‘the APA expressed its view that additional negotiating time in 2018 may be useful, depending on the progress being made and the feasibility of convening an additional session in a cost-effective manner while also allowing effective participation of experts from developing countries’.

The revised draft conclusions are expected to be further discussed and adopted at the closing plenary of the APA, which is scheduled at 11 am on 15 November.

Subsidiary Bodies

The first part of the closing plenary of the 47th session of the SBI (SBI47) and the SBSTA

(SBSTA47) was held late afternoon on 14 November.

The SBI adopted a number of draft conclusions. Some of the key draft conclusions adopted are: common time frames for NDCs referred to in Article 4.10 of the Paris Agreement; development of modalities and procedures for the operation and use of a public registry referred to in Article 4.12 of the PA, development of modalities and procedures for the operation and use of a public registry referred to in Article 7.12 of the PA, the third review of the Adaptation Fund, and gender and climate change.

The conclusions adopted on gender and climate change were also seen as important as they resulted in a gender action plan.

The SBSTA also adopted a number of draft conclusions. Some of the key draft conclusions adopted are: the technology framework under Article 4.10 of the PA, agriculture, and modalities for the accounting of financial resources provided and mobilised through public interventions in accordance with Article 9.7 of the PA.

The conclusions adopted on agriculture were viewed as significant as developed countries had shown resistance on the matter.

Following the conclusion of the first part of the SBI and SBSTA closing plenary, a joint meeting of SBI47 and SBSTA47 was conducted to take groups’, Parties’ and civil societies’ statements.

The second part of the closing plenary of the SBI and SBSTA will cover the remaining agenda items during the morning of 15 November.

Parties Agree on Way Forward on pre-2020 Action

Bonn, 16 November (Meena Raman) – Parties to the UNFCCC have arrived on a way forward on pre-2020 climate action.

In a closed-door informal consultation held on the morning of 15 November, COP22 Presidency representative Ambassador Aziz Mekouar from Morocco presented a proposal titled ‘*Input for draft decision of COP23*’ to Parties.

Sources revealed that major groups of Parties accepted the proposal presented to them.

The Like-minded Developing Countries (LMDC), with the support of the G77 and China, had been pushing for an agenda item to address pre-2020 issues that relates to the implementation of previous decisions taken to accelerate and increase mitigation ambition. Since the climate talks began in Bonn on 6 November, there have been various sessions dedicated to the issue of how to progress on pre-2020 issues. (For more, see TWN Updates 2, 7, 10 and 13 on the issue.)

According to sources, the input for the COP 23 draft decision contains eight operative paragraphs outlining the next steps for pre-2020 climate action. The draft decision touches upon some key areas demanded by developing countries. These include a request to issue letters to those Parties that are yet to ratify the Doha Amendment to the Kyoto Protocol, submission by Parties on actions taken pre-2020, preparing a synthesis report of the submissions and the synthesis feeding into the facilitative dialogue 2018, as well as convening a stocktake of pre-2020 actions in 2019 (see highlights of the proposal below).

Sources said the proposal enjoyed the support of **Iran for the LMDC, the European Union (EU), the Alliance of Small Island States (AOSIS), the Umbrella Group, the Environment Integrity Group (EIG), BASIC (Brazil, South Africa, India, China), the Arab Group, the In-**

dependent Alliance of Latin America and the Caribbean (AILAC), the Africa Group, and the Bolivarian Alliance for the Peoples of Our America (ALBA).

Iran for the LMDC though is said to have supported the proposal ‘in the spirit of compromise’.

Brazil spoke for the **BASIC** and said that even though they would like an agenda item on the issue, the COP Presidency had struck a balance through the proposal, which would allow Parties to move forward on pre-2020 issues ‘in a more direct manner’.

South Africa for the **Africa Group** said that the proposal provided a good space for Parties to engage with the proposal. Sources also said that the group expressed that it was willing to ‘live with’ the proposal ‘in a spirit of compromise’ and whatever was left out of the proposal, Parties could take it up in the space provided and that it looked forward to the operationalisation of the decision. It also is reported to have said that the ambition gap was a very serious matter which could not be taken lightly.

Cuba spoke for the **ALBA** and added its support, saying that it would have liked for the item to be included in the COP23 agenda.

Sources also said that **the EU** was concerned about the 2018 facilitative dialogue and said that it should focus on post-2020 ambition, but that the proposed draft decision captured the balance.

Sources also said that **Australia** for the **Umbrella Group** referred to the proposal as an ‘elegant’ compromise, and added that there already exists a sharp focus on pre-2020 work.

Ambassador Aziz said he would report to the COP23 Presidency of the agreed outcome. The decision is likely to be presented at the COP23 closing plenary for adoption on 17 November.

Highlights of the proposal

The ‘inputs for the draft decision’ comprises the following operative paragraphs:

Paragraph 1 requests the President of the COP and the Executive Secretary to send joint letters to Parties to the Kyoto Protocol that are yet to ratify the Doha Amendment to the Kyoto Protocol, urging them to deposit their instruments of acceptance with the Depositary as soon as possible.

Paragraph 2 requests the Secretariat to consult the UN Secretary General on ‘ways to promote the ratification of the Doha Amendment to the Kyoto Protocol’.

Paragraph 3 requests the Secretariat ‘by 1 May 2018 additional information on progress in implementing decision “1/CP.21, chapter IV: enhanced action prior to 2020”’.

Paragraph 4 requests the Secretariat ‘to prepare a synthesis report of the submissions...as an input into the stocktake’ in 2018.

Paragraph 5 welcomes the report by the COP23 Presidency, which noted that the ‘2018 facilitative dialogue will consider, as an element of the dialogue, the efforts of Parties on action and support, as appropriate, in the pre-2020 period’.

Paragraph 6 decides to convene a stocktake on pre-2020 implementation and ambition at COP24, which will apply the format of the 2016

facilitative dialogue; and consider: inputs of the COP, CMP (Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol), the subsidiary and constituted bodies of the Convention and the Kyoto Protocol and the operating entities of the financial mechanism; the mitigation efforts of countries in the pre-2020 period; the provision of support in the pre-2020 period; and the work of the Marrakech Partnership for Global Climate Action, including the summaries for policy-makers of the technical examination processes and the yearbooks on climate action prepared by the high-level champion.

Paragraph 7 also decides to convene a stocktake on pre-2020 implementation and ambition at COP25, which will apply the format of the stocktake in 2018, and consider: inputs of the COP, CMP (Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol), the subsidiary and constituted bodies of the Convention and the Kyoto Protocol and the operating entities of the financial mechanism; the outcomes of the high-level ministerial dialogue on climate finance planned at COP24; relevant outcomes of the facilitative dialogue 2018; the outcomes of the stocktake in 2018; and the work of the Marrakech Partnership for Global Climate Action.

Paragraph 8 requests the Secretariat ‘to prepare reports on the stocktakes’ in 2018 and 2019.

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BASIC Ministers Provide Political Impetus for Climate Talks

Bonn, 15 November (TWN) – As the ongoing climate talks intensify, ministers of Brazil, South Africa, India and China (BASIC) underlined the importance of the conference to prepare the ground towards the completion of the work related to the implementation of the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC).

They also stressed that enhanced and urgent implementation of pre-2020 commitments is a prerequisite for mutual trust among Parties and for building a solid foundation for post-2020 implementation and ambition, in order to ensure that subsequent nationally determined contributions do not become unduly burdensome on developing countries.

This was part of a 12 November statement that emerged from the 25th BASIC Ministerial Meeting on Climate Change that took place in Bonn in conjunction with the 23rd meeting of the UNFCCC Conference of Parties (COP 23). The participants were H E Mr José Sarney Filho (Minister of Environment of Brazil), H E Mr Xie Zhenhua (Special Representative for Climate Change of China), H E Ms Barbara Thomson (Deputy Minister of Environmental Affairs of South Africa), and H E Mr C K Mishra (Secretary and Vice-Minister, Ministry of Environment, Forest & Climate Change of India).

The Ministers reiterated that the work on both the pre-2020 and post-2020 should be in full accordance with the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC). They also emphasised the importance of openness, transparency, inclusiveness and the Party-driven nature of the negotiations.

They urged developed countries to honour their commitments and increase climate finance towards at least the US\$100 billion per annum goal

by 2020, to be scaled up significantly thereafter. In the post-2020 period, they called upon developed countries to provide financial resources to assist developing countries with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention. Furthermore, Ministers called for collaboration among the various mechanisms on adaptation, finance, technology and capacity building, as well as the Warsaw International Mechanism on loss and damage.

The Ministers reaffirmed that the Paris Agreement is a hard-won achievement by the international community which enhances the implementation of the Convention in the post-2020 period and strengthens the global response to climate change in the context of poverty eradication and sustainable development, reflecting equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

The Ministers reiterated that the global effort against climate change is an irreversible process that cannot be postponed, and that it offers valuable opportunities to promote sustainable development. The group underlined its highest political commitment to the full, effective and sustained implementation of the Convention, its Kyoto Protocol and the Paris Agreement in all their aspects.

The Ministers welcomed the large number of ratifications (169) of the Paris Agreement and requested the remaining UNFCCC Parties to ratify the Agreement at an early date. They urged all signatories to stay the course and maintain their support to the Paris Agreement.

The Ministers recalled BASIC's request that was captured in the COP 22 report for pre-2020 issues to be given equal treatment at COP 23. In that regard, they underlined that COP 23 should accelerate the implementation of pre-2020 commit-

ments and actions, including addressing this issue under a dedicated COP Agenda Item.

With regard to adopting balanced and meaningful outcomes in 2018 related to the implementation of the Paris Agreement in the post-2020 period, they underscored the need for advancing textual negotiation in order to produce a comprehensive, Party-driven negotiating text covering all the matters related to the implementation of the Paris Agreement at COP 23. This text can serve as the basis for negotiations in 2018, reflecting all Parties' views and inputs in a balanced manner. It is important to ensure that the COP 23 outcome captures the range of views as a set of alternatives and that the draft guidance operationalises equity and CBDR-RC, while not reinterpreting the Paris Agreement.

In addition, those 2018 outcomes should be comprehensive and balanced, reflect differentiation, the nationally determined nature of Parties' contributions, and flexibility for developing countries.

On nationally determined contributions (NDCs) to the global response to climate change, they reiterated that Parties' efforts should cover mitigation, adaptation and means of implementation, taking into account differentiated responsibilities and obligations of developed and developing country Parties under the Convention and Paris Agreement. The guidance being developed under the Paris Work Programme should assist Parties with the preparation and communication of their NDCs, while respecting the nationally determined nature of Parties' contributions.

On adaptation, the Ministers stressed that this requires an urgent global response, and reiterated the importance of both the global adaptation goal and the adaptation communication as a component of Parties' NDCs in achieving the purpose of the Paris Agreement. Ministers emphasised the importance of making progress to define the information and methodologies and approaches to generate such information. They urged developed countries to provide adequate support to developing countries in meeting the cost of their adaptation actions.

On finance, they noted that the extent to which developed countries will provide sustained, predictable and adequate finance, technology development and transfer and capacity-building support to developing countries will determine the extent to which developing countries are able to contribute their highest possible ambition towards addressing the global challenge of climate change.

The Ministers went on to express their deepest concern over attempts by some developed countries to unilaterally apply new eligibility criteria for developing countries' access to funding under the Global Environmental Facility (GEF) and the Green Climate Fund (GCF). They recalled that such criteria are not compatible with guidance from the Conference of the Parties and are a departure from the letter and the spirit of the Convention and its Paris Agreement. Furthermore, they indicated that such attempts violate the terms of the relevant GEF and GCF instruments, falling outside the mandate of the GEF Council and of the GCF Board on eligibility criteria. They stressed the view that such attempts are tantamount to renegotiating the Paris Agreement and potentially undermine the level of ambition of developing countries in the global effort against climate change.

They emphasised that effective implementation of developed countries' legal obligations regarding support will be paramount for trust-building among Parties in order to create an international enabling environment for a successful implementation of the Paris Agreement.

A related issue emphasised by the Ministers was the need for further clarity and robust methodologies to track and account for the provision of finance by developed countries. They further highlighted the importance of discussing modalities for communicating indicative information on the support to be provided to developing countries.

In addition to finance, the Ministers underscored the importance of operationalising the long-term vision on technology development and transfer, as set out in the Paris Agreement. They called for accelerating the work on elaborating the new Technology Framework, including its guidance to the Technology Mechanism. They also emphasised the role of joint innovation and international cooperation on climate-related technology in enhancing global actions.

They welcomed the adoption of the terms of reference for the Paris Committee on Capacity-Building at COP 22. The Ministers called for collaboration between the mechanism on capacity building and those institutional arrangements on adaptation, finance and technology. They also highlighted the importance of guidance to be provided by the Paris Committee on Capacity-Building to the Capacity-Building Initiative for Transparency, and urged developed country Parties to provide additional, continuous and adequate support to developing countries for enhancing their capabilities on transparency of action and support received.

The Ministers noted with concern that pre-2020 gaps exist not only in mitigation, but also in adaptation and support to developing countries. They stressed the urgency of accelerated implementation of pre-2020 commitments and increasing pre-2020 ambition.

In this regard, on the historical occasion of the 20th anniversary of the adoption of the Kyoto Protocol, Ministers underscored the importance that the Doha Amendment to the Kyoto Protocol enters into force without further delay. To date, 83 Parties have accepted the Doha Amendment, while acceptance by 144 Parties is required to bring it into force. They stressed further that developed country Parties should revisit and increase their economy-wide quantified emission reduction targets. Ministers emphasised that enhanced and urgent implementation of pre-2020 commitments is a prerequisite for mutual trust among Parties and for building a solid foundation for post-2020 implementation and ambition, in order to ensure that subsequent NDCs do not become unduly burdensome on developing countries.

On the Facilitative Dialogue (FD) in 2018, the Ministers look forward to an outcome in COP 23 that gives clarity in the design of the dialogue. This will be an opportunity to consider collectively the overall progress made on the implementation of all pillars of the Convention in the global effort to address climate change. They emphasised the importance of outcomes that lead to the identification of challenges and opportunities to accelerate climate action and support, in the context of sustainable development, sustainable lifestyles, climate justice and poverty eradication as the overriding priorities of developing countries.

They pointed out that developed countries must take the lead towards closing the ambition gap so as to avoid transferring the burden to devel-

oping countries and from the pre-2020 to the post-2020 period.

In this context, the Ministers highlighted the efforts and substantial achievements of BASIC countries and other developing countries in tackling climate change, both pre- and post-2020, and emphasised that these represent far more ambitious efforts compared to their respective responsibilities and capabilities. BASIC countries have made notable progress towards low greenhouse gas emissions and climate-resilient development and are committed to sharing experiences and supporting each other as they further develop their domestic climate policies and actions.

The Ministers also welcomed the adoption by the GCF of a pilot programme for REDD-plus results-based payments, noting the need for adequate and predictable support for the implementation of all REDD-plus activities. They underlined the imperative that REDD-plus ensures environmental integrity and, in this regard, reiterated that results-based payments shall not be used to offset mitigation commitments by developed countries.

The Ministers reiterated that the UNFCCC is the primary international forum to coordinate the global response to climate change. In this regard, they reiterated that measures and outcomes under other multilateral fora addressing issues related to climate change, such as the United Nations General Assembly, the International Civil Aviation Organisation (ICAO), the International Maritime Organisation (IMO) and the Montreal Protocol, as well as the G20, must be consistent with the UNFCCC and in line with the principles of equity and CBDR-RC. They further underlined that measures under the ICAO and IMO must not place undue burdens on developing countries and not create distortions to international trade.

The next ministerial meeting will be in South Africa in the first half of 2018.

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Call to Show More Ambition and to Move Faster Together on Climate Change

Bonn, 16 November (Perna Bomzan) – The opening of the high-level segment of the climate talks in Bonn presided over by Fiji, saw world leaders calling on all Parties to show more ambition and to move faster together on climate change.

The **UN Secretary-General Antonio Guterres** called for ‘more ambition’ and said that Parties ‘must go further and faster together’ and that in the 20th anniversary year of the adoption of the Kyoto Protocol (KP) and the 25th anniversary of the adoption of the UN Framework Convention on Climate Change (UNFCCC), Parties who have not done so should ratify the Doha Amendment to the Kyoto Protocol (KP) (to give effect to its second commitment period).

He also called on ‘world leaders to ratify and implement the Kigali Amendment to the Montreal Protocol to phase down the use of hydrofluorocarbons, which destroy the ozone layer’. Guterres stressed that at least a further 25% cut in emissions (based on 1990 levels) is needed by 2020.

The high-level segment began on 15 November with about 25 Heads of State and Government and over 100 Ministers who have come to the climate talks under the UNFCCC, the KP and the Paris Agreement (PA).

Fijian Prime Minister, Frank Bainimarama, at the opening event, gave the floor to ‘a special child’ Timothy Naulusala, who had travelled all the way from Fiji to share his story. Bainimarama said that he wanted to present the human face and dimension of climate change and said no one could do that better than a child.

Naulusala shared how his life was in chaos when hurricane Winston hit his island last year, which he said was the strongest in the southern hemisphere. He called for leadership and action, saying that climate change deserves to be a huge priority. He referred to former United States (US)

President Obama who had said that climate change ‘is happening here, and is happening now’ and urged world leaders ‘to walk the talk’, and that ‘it is time to move forward and to walk together’.

Bainimarama then took the floor to say that ‘future generations are counting on us like Timothy and we hear his cry, we hear his plea’ and that is why Parties are here in Bonn.

The **Fijian Prime Minister** said that he felt a great sense of history as the first leader of a small island developing state to preside over a COP (the 23rd meeting of the Conference of Parties to the UNFCCC). He recalled the history of tackling climate change starting in the late 1980s with the formation of the Intergovernmental Panel on Climate Change (IPCC); leading to the negotiation of the mother agreement, the UNFCCC signed in Rio in 1992; achieving the landmark agreement, the Kyoto Protocol (KP) with major reduction targets in 1997, and reminding about its 20th anniversary next month. Then, after several COPs, the historical breakthrough in 2015 with the Paris Agreement (PA), which had come into force in 2016 by COP 22 and now COP23, which is crucial for the implementation phase of the PA.

He reminded Parties that with only two days left, deliberations must conclude on time and that there has been progress in many negotiating terms with key decisions ready to be adopted, highlighting the decision on pre-2020. (See TWN Update 15.) He said Fiji has been very proud to lead the process and to bring its culture to Bonn including in framing the upcoming 2018 Talanoa Dialogue (referring to the facilitative dialogue next year).

UN Secretary-General Antonio Guterres said that it was fitting that this year’s conference is led by Fiji, a nation on the frontlines. ‘In the battlefield, when the frontline is decimated, the whole army is lost. And the same would happen to the planet with climate change.’

‘We need to do more on five ambition action areas: emissions, adaptation, finance, partnerships and leadership.’ Guterres stressed that at least a further 25% cut in emissions is needed by 2020 citing that the latest UN Environment Programme (UNEP) Emissions Gap Report shows that current pledges will only deliver a third of what is needed to stay in the safety zones of the PA. The window of opportunity to meet the 2°C target may close in 20 years or less and there may be only five years to bend the emissions curve towards 1.5°C. He said that there has been a start on decoupling emissions from economic growth and that massive economies such as China and India are on track to surpass their Paris pledges. ‘It is crucial for all countries to follow through on their Paris commitments.’

With regard to adaptation as the second area of ambition, he said that the Green Climate Fund (GCF) can play a catalytic role and appealed especially to its donor members to bring the mechanism fully to life. On finance, he stressed that greater ambition on emissions, adaptation and resilience is inextricably linked to funding and hence, the need to mobilise the agreed US\$100 billion annually for developing countries. ‘Upholding this promise is essential for building trust and confidence,’ stressed the UNSG.

He further said that markets need to be re-oriented away from the counter-productive and the short-term, when in 2016, an estimated US\$825 billion were invested in fossil fuels and high-emissions sectors. ‘I will be working to scale up international financing in renewable and energy efficiency projects to reduce at least 1 gigaton or more of carbon emissions by 2020.’ Infrastructure investment would be crucial and the world should adopt a simple rule: if big infrastructure projects are not green, they should not be given the green light. ‘Investing in climate-friendly development is where the smart money is needed.’

He stated that carbon pricing is a key instrument for driving down greenhouse gas emissions and more than half of the nationally determined contributions of the PA cite the need for it. In 2016, carbon pricing initiatives generated US\$22 billion but to reach the Paris goals, at least 50% global coverage and a higher price on carbon is needed to drive large-scale climate action.

On partnerships as the fourth ambition action, ‘Partnership – with the private sector, local and regional governments and civil society – will make or break efforts to implement the PA.’ ‘In particular, the only way to keep below 2°C and as close as possible to 1.5°C is to mobilise the private sector to move on an energy transformation.’ He stressed on the need to engage global technological giants, the oil

and gas sector and the automotive industry so their business plans are consistent with the Paris goals, including the need to engage the agricultural and forestry sectors to ensure climate-friendly land use.

On the fifth ambition action, he highlighted the ‘need for heights of political leadership’ and encouraged Parties to be bold in their deliberations and decisions in Bonn as well as at home. ‘More immediately – in this 20th anniversary year of the adoption of the KP and the 25th anniversary of the adoption of the UNFCCC, I call on all relevant nations that have not done so to ratify the Doha Amendment’ and on ‘world leaders to ratify and implement the Kigali Amendment to phase down the use of hydrofluorocarbons, which destroy the ozone layer’.

German President **Frank-Walter Steinmeier** said that climate change impacts are felt more year by year being the cause for crisis and strife and hence, this dramatic and urgent situation requires all to hurry up and act with resolve. He stressed that in this scenario, the fast-growing economies play an important role as they are among the largest emitters, singling out China as having a long way to go. Paris would be a breakthrough only if the agreement is followed by deeds, he said, adding that in recent years, important milestones have been reached like the PA, the Sustainable Development Goals and Agenda 2030 and these success stories with occasional disappointment along the path are worth the effort.

President of the **UN General Assembly Miroslav Lajcak** expressed delight in a small island nation presiding over the COP, referring to how it is representative of people who are constantly wondering if and when their communities are swallowed up by the sea. He said climate change is different from the threats which faced humanity when the UN was created and that it can only be abated through multilateral agreement and action. The PA in 2015 was the biggest multilateral event for climate change in history and ‘this agreement will not be renegotiated’. He stated that only two months ago at the UNGA, he saw the highest number of reference of climate change on record, 84% highlighting it as priority.

He further stressed that ‘putting words on paper is one thing, acting is another’ and therefore, action is needed urgently sticking to the agreements made. He also referred to the UNEP Emissions Gap Report, which validates that current pledges will not be sufficient to keep temperature rise below 1.5°C and in fact, not enough even for the baseline commitment of 2°C which makes the situation unacceptable. With an alarming rate of climate change impacts, there comes the need for both mitigation and

adaptation and the shrinking finance is a clear message that it is not sufficient. 'We must agree to the goal of US\$100 billion by 2020 to support action in developing countries,' adding that 'we have common but differentiated responsibilities.'

Following the opening segment, several leaders spoke.

German Chancellor **Angela Merkel** said that the common message is to protect our planet and hence, the need to stand by the PA. The need is to stand together to implement it, and 'that is the rulebook on which the Conference is working', she said.

She further stated that in Europe, efforts are being made to reach an emissions reduction target of '40% by 2020 which is a legally binding obligation and we will do it'. The European Union (EU) member states have agreed on how to reach this common goal with necessary rules, for example on emissions trading, the instrument being orientated towards serving the goal.

Merkel said that in Germany, they have planned medium- and long-term strategies to underpin greenhouse gas neutrality by concrete measures aligning with 2020, 2030 and 2050 timelines. She referred to the current talks in building the new government as being crucial with social issues on the top of the agenda such as relating to employment and that important conflicts need to be resolved in a calm and reliable manner. 'We still use a lot of coal, particularly lignite, and coal needs to be given particular attention.'

She said, 'During the G7, we affirmed on a path of decarbonisation' as industrialised countries have a specific contribution to make with necessary technology capacity. She also said that 'we also have a historical responsibility to reduce emissions' and have already contributed to this, adding that the G20 energy action plan is also for more sustainable goals. She stressed on initiatives guided by a transformation for energy, referring to a broad alliance of number of companies in the US with a commitment called America's pledge, irrespective of Trump leaving the PA. 'Renewable energy is our strongest pillar of energy mix' in Germany for which there is growing support and there is no need of subsidising it any more.

She also mentioned about creating necessary conditions to mobilise private finance and referred to the meeting next month in Paris, hosted by French President Emmanuel Macron.

With a growing world population, increasing conflicts over natural resources is inevitable and hence, she said that Germany has asked the UN Security Council to focus more on security aspects

of climate change. She also referred to the provision of €100 million to the least developed countries (LDCs) to help adaptation. The German Chancellor urged everyone to do his or her part, accepting PA as a starting point and to match words with deeds, showing the necessary courage and goodwill.

French President **Emmanuel Macron** said that climate change adds injustice to an unfair world, focusing its effects on the already underprivileged and therefore, by far 'the most significant struggle for which all must come together to establish ambitious goal'. 'The PA is a starting point which we are determined to observe,' he added.

He stated that at the international level, scientific work is vital and the IPCC is a major component of this work. This, he said, was however threatened today by the US decision to not give funding to the IPCC. He proposed that 'Europe replace the US' in this regard and appealed to member states to come together to compensate for the lack of US funding so that by 2018, it will have all the money it needs. Macron further mentioned about the climate finance meeting in Paris next month which has the goal of mobilising public and private funds; a collective goal to compensate for the US gap and for innovative financing that will allow transformation of international assistance for adaptation to vulnerable countries who desperately need it.

The French President elaborated on priorities to reduce greenhouse gas reductions in Europe with bilateral cooperation between Germany and France on renewable energy throughout Europe; the need for carbon 'border tax' to protect the EU industries and economic interests against countries that do not respect its climate goals; integrate environmental goals into trade and while negotiating trade agreements, not to enter with countries who do not respect these goals. He also said that France has a new commitment to withdraw from fossil fuels and to transform energy model; banning all new permits for exploitation of hydrocarbons, and a decision to close all coal-fired stations by 2021.

'We need European partnership to accelerate the closure of nuclear power stations.' Macron added that 'we are not stepping back from our commitments' and 'rich countries have a dual responsibility since we have been a part of the climate change problem', he said in conclusion.

Many other world leaders also addressed the high-level segment, which continues in the remaining two days of the climate talks, as negotiators try to iron out last-minute hitches on the remaining matters dealing with issues related to finance.

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Climate Talks End with Adoption of ‘Fiji Momentum for Implementation’

Bonn, 20 November (T Ajit and Meena Raman) – The 23rd session of the Conference of the Parties (COP23) to the UN Framework on Climate Change (UNFCCC) closed early morning of Saturday, 18 November, a day later than its scheduled ending, with the adoption of what was called the ‘[Fiji Momentum for Implementation](#)’, (also known as decision 1/CP.23).

The COP 23 closing plenary was supposed to convene in the morning of Friday, 17 November, but it only began past 4.30 a.m. on Saturday, in Bonn, Germany.

The stance of the United States (US) in particular, especially over some finance-related issues relating to the implementation of the Paris Agreement (PA), was the main source of contention between developing and developed countries. It took long huddles among Parties on the Conference floor to iron out a solution, given the US position.

Even though the US has notified Parties that it does not intend to remain a Party to the PA, it remains a Party until it legally withdraws from the Agreement in November 2020. Despite its intention to leave, the US role in the Bonn climate talks was viewed by senior negotiators from developing countries and some observers as being ‘very problematic’.

What was seen as being even more outrageous was the approach taken by the UNFCCC Secretariat, which some sources described as an attempt to ‘cover up’ the US opposition to an initial draft of the COP 23 decision by claiming that there was a ‘typo error’ in the document, which drew protests from several developing country negotiators, who wanted an explanation as to why the later version of the draft decision had some issues removed and was different from an earlier iteration of the same.

All this happened on the floor of the Conference hall, before the COP closing plenary convened. Parties were seen engaged in a very long huddle to seek a solution on the matter, which was resolved by a footnote in the document (See details below).

The US, it seems, was opposed to the reflection of some issues as part of the Paris Work Programme (PWP) which included ‘modalities for biennially communicating information on the provision of public financial resources to developing countries’ under the PA and 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.

Other divergences among Parties that led to the delay in the convening of the closing plenary of the Ad Hoc Working Group on the Paris Agreement (APA) and the COP related to finance issues in relation to the Adaptation Fund, as well as a process to identify indicative quantitative and qualitative information that developed countries are biennially required to communicate under Article 9(5) of the PA.

The COP 23 Presidency carried out several rounds of informal consultations with Parties to resolve these differences, which were eventually resolved.

Fiji Momentum for Implementation

The ‘Fiji Momentum for Implementation’, as adopted, is divided into three parts: Part 1 deals with the ‘*Completion of the Work Programme under the PA*’; Part 2 deals with the ‘*Talanoa Dialogue*’ (which is the Facilitative Dialogue to be conducted in 2018); and Part 3 deals with ‘*pre-2020 implementation and ambition*’.

Completion of the Work Programme under the PA

Sources revealed that there was considerable divergence among Parties on how to reflect the completion of the work programme under the PA.

In the decision adopted, the COP requested the Secretariat to develop an online platform to provide an overview of the work programme of the PA being carried out in the various subsidiary and constituted bodies, including the APA.

The overview is to be based on a list provided in Annex 1 of the decision, and it was one of the items in the list that became the bone of contention among Parties.

Two different versions of the list were made available to Parties in two separate iterations of the draft decision titled decision 1/CP.23.

In the first version, released on 17 November at 10.30 p.m., the list provided details of the work being carried out under the COP and the subsidiary and constituted bodies on the work programme under the PA for the first session of the Conference of the Parties serving as the meeting of the Parties to the PA (CMA).

Under one of the items on *'other matters relating to the implementation of the PA (APA)'*, the following were listed:

'(a). Modalities for biennially communicating information on the provision of public financial resources to developing countries in accordance with Article 9(5); (b). Initial guidance by the CMA to the operating entities of the Financial Mechanism (the Green Climate Fund and the Global Environment Facility) under Article 9(8)...; (c). Initial guidance by the CMA to the Least Developed Countries Fund and the Special Climate Change Fund ...; (d). Guidance by the CMA on adjustment of existing nationally determined contributions under Article 4 (II); (e). Setting a new collective quantified goal on finance....'

(In Paris in 2015, COP 21 assigned various tasks related to the PA implementation to several bodies, which included the APA, and the subsidiary bodies of the Convention among others. There were several matters that were not assigned to any of the bodies, which Parties referred to as 'homeless'. The list above refers to the 'homeless' matters.)

In the second version of the draft decision released on 18 November at 12.30 a.m., the item changed to: *'Possible additional matters relating to the implementation of the Paris Agreement (APA)'*.

The second iteration of the draft decision was to be presented to Parties for adoption.

According to sources, developing countries were not happy as to why the change happened and why the listing of the additional matters disappeared from the second iteration of the draft decision without any explanation.

Developing countries were concerned about these finance-related issues being dropped from the second iteration, which are viewed by them as being key for them to be able to implement the PA.

According to sources, the US was of the view that there was no need to include these matters in the PWP and that these matters did not need to be reflected in the online platform.

Developing countries led by **Egypt** for the **African Group**, **China** and **Saudi Arabia** for the **Arab Group** were seen discussing the issue in a huddle expressing their concerns as the matters that were dropped from the list were integral to the implementation of the PA and there could be no justification to exclude them from the list. They were joined by other developing countries as well as someone from the UNFCCC Secretariat who explained that there had been a 'typo error'. It seems the developing country delegates countered the explanation that it could not be a 'typo error' as the changes made were 'substantive'.

The US also joined the huddle and, according to sources, said that it disagreed with developing countries and maintained that there was no clarity that the additional matters were part of the PWP and which needed to be addressed by the first session of the CMA. Sources also said that the US was resolute in its stand and refused to accept the inclusion of these matters.

After lengthy deliberations in the huddle, a compromise was reached in the form of a footnote, which Parties said should reflect that there was no consensus on the matters to be addressed under the PWP.

The footnote, as adopted, reflects 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, including the issues discussed under agenda item 8 of the APA.'*

The first session of the CMA, to be held next year, is bound to see a heated debate on whether the additional matters should be added to the PWP.

The decision adopted in relation to the work programme also confirmed the determination of Parties to 'oversee and accelerate the completion of the work programme under the PA' by COP 24

in December 2018; and also decided that the COP23 President would consult with the bureau of the COP and the Co-chairs of the APA and assess ‘the need for the additional negotiating session’ on the basis of the outcomes of the May session in 2018.

Talanoa Dialogue

The decision adopted also welcomed ‘with appreciation’ *‘the design of the 2018 facilitative dialogue, to be known as the Talanoa dialogue... as contained in the informal note by the Presidencies of the twenty-second and twenty-third sessions of the COP’*.

Since the informal note was not a negotiated document, how it was to be reflected in the decision became a bone of contention.

In Paris, Parties had agreed to ‘convene a facilitative dialogue among Parties in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to in Article 4 (1) of the Agreement and to inform the preparation of nationally determined contributions (NDCs) pursuant to Article 4(8) of the Agreement’.

Before COP23 began, the Presidencies of COP 22 (Morocco) and COP 23 had prepared an informal note to inform Parties on their consultations on the organisation of the 2018 facilitative dialogue, which they referred to as the ‘Talanoa Dialogue’.

The informal note provides a description of the ‘features’ of the dialogue, which among other things, states that ‘the dialogue will be conducted in the spirit of the Pacific tradition of Talanoa’ which is ‘a traditional approach used in Fiji and the Pacific to engage in an inclusive, participatory and transparent dialogue’ with the purpose of sharing ‘stories, build empathy and trust’.

According to the note, ‘the dialogue will be structured around three general topics: where are we; where do we want to go and how do we get there.’ The dialogue is supposed to consist 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 also states that ‘Parties, stakeholders and expert institutions are encouraged to prepare analytical and policy relevant inputs to inform the dialogue and submit these and other proposed inputs...’ and ‘summaries from all discussions will be prepared under the authority of the Presidencies of COP 23 and COP 24’.

The note further states, ‘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 further consulted with Parties on the dialogue.

In a non-paper issued by the Presidency on 16 November, it was mentioned that Parties ‘take note of the announcements by the President of the COP22 and the President of the COP23 on the approach regarding the design of the 2018 Talanoa dialogue’.

However, in a non-paper issued on the same day at 10 p.m., the language changed to: ‘*Endorses the design of the 2018 Talanoa dialogue*’.

Sources said that besides disagreements on how to reflect the approach to the design in the decision, there were differences of view on the design elements of the dialogue as well. These were around the involvement of expert institutions, the involvement of the Presidencies, and the outcome of the dialogue itself.

During the informal consultations on the matter, it emerged that the **Alliance of Small Island States (AOSIS)** and the **Least Developed Countries (LDCs)** wanted the term (Parties) ‘decide’ to be reflected.

However, **the US** and **New Zealand** were opposed to this as the design contained in the informal note ‘was not negotiated by Parties’ and it was only a proposal of the Presidencies.

Other Parties, from both developed and developing country groups, supported the approach laid down by the Presidencies. **The European Union** said it could accept the design ‘in the spirit of compromise’.

Sources also said that the **Like-Minded Developing Countries (LMDC)** and the **Arab Group** sought a number of clarifications on the design of the dialogue. The LMDC wanted to know in what capacity ‘expert institutions’ would be involved in the process and what was meant by ‘expert institutions’. The LMDC was of the view that it should be a Party-driven process and that the reports of the dialogue should be Party-driven and not left to the Presidencies.

China supposedly also sought clarification on a host of different issues, including on the outcomes of the dialogue. **India** also cautioned against engaging expert organisations without defining who they would be and that the outcome of the dialogue should stop at providing information to Parties.

According to sources, **Saudi Arabia** said that the facilitative dialogue should be kept simple and should not be over-designed, adding that the document should not give an impression that it was ne-

gotiated, since not all the views had necessarily been captured in the design.

After further consultations, it was decided that the words, ‘welcomes, with appreciation...’ would be used in the final decision adopted. The decision also states that the dialogue will start in January 2018.

Pre-2020 implementation and ambition

When COP 23 began, developing countries led by the **LMDC** had insisted that an agenda item on pre-2020 action be included in the COP’s agenda. This was resisted by developed countries and following informal consultations conducted by the COP Presidency, consensus was found in having a decision on ‘pre-2020 implementation and ambition’ in the final decision adopted on Saturday.

The decision, among other things, includes the following:

- It requests the President of the COP and the UNFCCC Executive Secretary to send joint letters to Parties to the Kyoto Protocol (KP) that are yet to ratify the Doha Amendment to the KP urging them to deposit their instruments of acceptance with the Depositary as soon as possible;
- It also requests the Secretariat to consult the UN Secretary-General on ways to promote the ratification of the Doha Amendment to the KP;
- It invites Parties to submit via the submission portal by 1 May 2018 additional information on progress in implementing the decision taken in Paris on ‘enhanced action prior to 2020’;
- It requests the Secretariat to prepare a synthesis report of the submissions referred as input to the stocktake to be convened (reflected below);
- It welcomes the report of the President of the COP that noted that the 2018 Talanoa Dialogue will consider, as an element of the dialogue, the efforts of Parties in relation to action and support, as appropriate, in the pre-2020 period;
- It decides to convene a stocktake on pre-2020 implementation and ambition at COP 24, which will apply the format of the 2016 facilitative dialogue and consider, inter alia:
 - (a) The inputs of the COP, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), the Subsidiary Body for Implementation, the Subsidiary Body for Scientific and Technological Advice, the constituted bodies under the Convention and the Kyoto Protocol, and the operating entities of the Financial Mechanism;
 - (b) The mitigation efforts of Parties in the pre-2020 period;
 - (c) The provision of support in the pre-2020 period;
 - (d) The work of the Marrakech Partnership for Global Climate Action, including the summaries for policymakers of the technical examination processes and the yearbooks on climate action prepared by the high-level champions;
- It also decided to convene a stocktake on pre-2020 implementation and ambition at COP 25, which will apply a similar format as the 2018 stocktake and which will also consider the outcomes of the high-level ministerial dialogue on climate finance to be held at COP 24; and
- It also requests the Secretariat to prepare reports on the stocktakes to be held in 2018 and 2019.

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Developing Countries Welcome Decisions at COP 23, and Register Concerns over Finance Issues

Kuala Lumpur, 21 November (Jade Chiang and Meena Raman) – Despite the delayed ending of the climate talks at Bonn by nearly a day, developing countries, in welcoming some key decisions adopted at COP 23, also emphatically registered their unhappiness over how the finance issues were addressed at the closing of the climate talks that took place early morning of Saturday, 18 November.

They also expressed disappointment over the reluctance of developed country Parties to engage on accelerating action and support in the pre-2020 period.

Parties expressed their remarks and also posted their full statements at the joint closing plenary of the 23rd session of the Conference of the Parties (COP23) to the UN Framework Convention on Climate Change (UNFCCC), the 13th session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP13) and the second part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA1.2), held a day later than the scheduled closure of the talks. (See TWN Update 17 on decision adopted.)

The joint plenary session was presided over by Fijian Prime Minister, Frank Bainimarama, who was COP 23 President.

The G77-China noted that in spite of the good stories coming out of COP23, ‘the story on financing is not necessarily a happy one’.

It however welcomed several decisions that were delivered at COP 23 that included decisions on furthering work on the Warsaw International Mechanism on Loss and Damage (WIM) including in addressing financial resources for the mechanism; the operationalisation of the local communities and indigenous peoples’ platform through es-

tablishment of the ‘Facilitative Working Group’; a decision on agriculture following years of negotiations to advance further work, as well as an agreement on the first gender action plan in relation to climate change.

The African Group expressed disappointment that developed countries had little appetite to accelerate the pre-2020 actions, highlighting the fact that the Doha Amendment to the Kyoto Protocol (KP) has yet to come into force and the means of implementation to developing countries is declining.

Apart from developed countries not living up to their pre-2020 actions, the **Like-minded Developing Countries (LMDC)** expressed caution against the attempt by developed countries to shift responsibilities for climate change actions in the post-2020 period (under the Paris Agreement) more and more to developing countries.

Although **the United States (US)** did not deliver its statement, it uploaded a four-paragraph statement on the UNFCCC website on finance matters, stating in particular that the US\$100 billion finance goal ‘is aspirational in nature and is not legally binding, either collectively, or on any Party individually and does not create rights or obligation’. It also stressed that the ‘financial pledges made by the last administration are not legally-binding’.

Highlights of closing statements

Representing **the G77-China, Ecuador** said the Group was proud that it had contributed in advancing the textual work on the Paris Work Programme (PWP) towards the implementation of the Paris Agreement (PA) and several other deliverables that were very important for developing countries.

Among those successes, it highlighted the important decision on pre-2020 implementation and ambition that includes a stocktake on where we are, in relation to the pre-2020 work, recognising that the enhancement of pre-2020 action and support in finance, technology and capacity-building from developed countries to developing country Parties, is the solid foundation for post-2020 implementation.

It looked forward to the assessment of the progress of implementation of the decisions taken in Warsaw (in 2013) to accelerate the implementation of the commitments in relation to the provision of means of implementation for developing country Parties.

‘This is of particular importance for our countries, including in the context of the 20th anniversary of the Kyoto Protocol (KP) and the increasing adverse impacts of climate change in our countries that keep reminding us that we need climate action and support now, and not only after 2020,’ emphasised Ecuador.

On the operationalisation of the WIM on Loss and Damage to tackle the consequences of extreme and slow onset weather events related to climate change that have affected different regions of the world, it welcomed the strengthening of the five-year rolling work plan of the Executive Committee (ExCom) and the call for the ‘Suva Expert Dialogue’ as the first step to the future establishment of an expert group on action and support and the call for the mobilisation of resources for averting, minimising and addressing loss and damage. However, it noted that the work plan of the ExCom still remains a long way from achieving the full implementation of the WIM under Article 8 of the PA.

Ecuador was also proud that the G77-China was able to contribute to the long-standing aspiration of local communities and indigenous peoples that they are no longer considered mere observers of climate change but have the opportunity to become real actors of the solution, including through the exchange of experiences and sharing of best practices on climate change action in a holistic and integrated manner. ‘The establishment of the Facilitative Working Group and the development of its work plan are fundamental and concrete steps towards the full operationalisation of the local communities and indigenous peoples’ platform,’ said Ecuador.

It expressed satisfaction with the progress achieved in agriculture after several years (of negotiations) as an important first step for climate actions in the sector which is most vulnerable and is linked to food security.

(In the decision adopted at the COP, among other things, Parties requested ‘the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation [SBI] to jointly address issues related to agriculture, including through workshops and expert meetings, working with constituted bodies under the Convention and taking into consideration the vulnerabilities of agriculture to climate change and approaches to addressing food security’.)

The G77 and China also welcomed the establishment of the first gender action plan in relation to climate change and several other important decisions such as those on capacity-building; education, training and public awareness, public participation and public access to information; and the common metrics to calculate the carbon dioxide equivalent of greenhouse gases.

On finance matters, it said ‘the story on financing is not necessarily a happy one. On such an important area, we have not seen progress on core elements such as in resolving the eligibility criteria adopted by the Global Environment Facility (GEF). We reiterate that the access to financial resources must be granted to all developing country Parties.’ (The G77 was expressing concerns over some developing countries not being able to access the resources of the GEF.)

Ecuador reiterated its ‘rejection to the usage of criteria outside of the scope of the UNFCCC or the governing instrument of the Green Climate Fund (GCF) in the assessment and discussion of developing countries funding proposals’. (The G77 was referring to decisions taken at the recent GCF Board meeting in Cairo where the United Kingdom had opposed the application for funding of proposals from Argentina and Paraguay due to the ‘level of income’ of those countries.)

On the ‘Open Dialogue’ between Parties and non-Party stakeholders held during the first week of the talks, the G77 stressed the responsibility to enhance transparency believed ‘that existing frameworks, principles and rules in other areas of the UNFCCC as well as in other organisations, can serve as good examples to promote enhanced participation while addressing the realities of the different constituencies and specifically the capacity of some to unduly influence outcomes to serve their own vested interests’, it added.

(Ecuador was referring to calls by civil society groups to have norms in dealing with big corporations who may unduly influence policy outcomes in the UNFCCC due to their vested interests.)

Mali speaking for the **African Group** welcomed the decision that mandated the SBI to consider the identification of the information to be provided by developed country Parties on their indicative quantitative and qualitative information on the projected levels of public financial resources to be provided to developing countries in accordance with Article 9(5) of the PA.

(Developed countries strongly resisted the push by developing countries to have a decision at COP 23 to mandate the SBI to discuss the modalities for biennially communicating information on the provision of public financial resources to developing countries in accordance with Article 9(5). The final compromise was for the SBI to consider the identification of the information to be provided.)

Mali also welcomed the decision on the Adaptation Fund (AF) that provided further assurance for the Fund to serve the PA, noting that the decision provided clarity and built trust among Parties in further deliberating the procedures needed to finalise the AF serving the PA.

(In deciding whether the AF ‘shall serve’ the PA, developed and developing countries were divided over whether the Fund will be ‘exclusively under the guidance of’ and be ‘accountable to the CMA’ or would also be accountable to the CMP, which established the AF. This issue saw much haggling among Parties, which delayed the closing of the climate talks. The final decision adopted under the CMP is for Parties to consider the matter further at CMP 15 in 2019.)

The African Group expressed disappointment that there was ‘little appetite to accelerate pre-2020 action, as exemplified by the fact that the Doha Amendment has not yet come into force and means of implementation to developing countries is declining’.

‘The ramping up of ambition in the pre-2020 period by developed country Parties is a crucial signal to our people that we are serious about fulfilling our commitments. Therefore, we call on all developed country Parties to urgently implement their pre-2020 pledges and increase their ambition including the provision of additional, new and predictable support to developing countries,’ it added. It reiterated the need for the immediate entry into force of the second commitment period (CP2) of the KP.

The African Group also reiterated the importance of the continued consultations on the issue of special consideration for Africa with the view to adopting a decision on the matter as soon as possible, stressing the need for consideration of its

special circumstances in relation to its economic and development status which it said ‘is not comparable to any region in its abilities to meet its obligation under the PA’.

On behalf of the **Like-minded Developing Countries**, **Iran** said it came with the expectation that developed country Parties would share its objective of COP23 to be an adaptation, finance, and loss and damage COP as the priorities for moving forward in the negotiations to implement the Convention and its PA together, and without rewriting or renegotiating the Convention and its PA and for urgent action on the implementation of pre-2020 commitments and actions.

‘Instead, in the various negotiations and meeting rooms – whether under the APA (Ad Hoc Working Group on the Paris Agreement), the subsidiary bodies, or the COP – developed countries have repeatedly proposed that developing countries finance and adapt by themselves to loss and damage, and adaptation issues themselves have been lost and damaged. Addressing the impact of response measures has also been blocked ... developing countries were told to look to our own strained resources and to the private sector for such financing and technologies.

‘We have also seen constant attempts by developed countries to reflect the principles of equity and common but differentiated responsibility (CBDR) in ways that would be inequitable and which focus on common and not differentiated responsibility,’ it lamented. This seems, it added, to be a concerted effort to shift responsibility for climate change action in the post-2020 period more and more to developing countries, it added.

In addition, some developed countries have applied unilateral coercive economic measures on some LMDC members contrary to international law and thereby increasing hardship in these countries, it said, warning that these are not conducive to building trust moving forward.

Despite the initial difficulties in the treatment of pre-2020 issues that the LMDC had tabled at the start of this COP which was supported by the G77-China, Iran was glad to note that a constructive way forward has been found and it looked forward on the matter.

It noted the announcement of the European Union (EU) that it will conclude its ratification of the Doha Amendment by this December and looked forward to other developed countries following the EU example.

It further called on the UN Secretary General and the UNFCCC Secretariat to accord the same

level of political attention and celebration for the Doha Amendment to the KP including for the deposits of the instruments of ratification, as had been given last year to the signature of the PA.

‘We look forward, together with our partners, to keeping a focus in the years up to 2020 on how pre-2020 commitments are being met. This includes doing so in the Talanoa Dialogue next year and also in the annual stocktake on pre-2020 issues that the COP will undertake in 2018 and 2019,’ it emphasised.

Brazil, representing **BASIC** (comprising Brazil, China, India and South Africa), said it was dismayed over the initial divergence among Parties in views on how and where to address this pre-2020 actions although all Parties agreed on the importance.

‘Pre-2020 action is back as we have collectively decided ... the stocktake sessions mandated by this COP for each year up to 2020 will serve to inform actions by countries and contribute to raise collective ambition. The urgent need for entry into force of the Doha Amendment to the KP is also highlighted,’ it added in relief.

BASIC welcomed the decision reached on agriculture, the gender action plan and the concept of equity as a central element of the design of the global stocktake (under the PA to be conducted in 2023.) It was pleased with progress made for the PWP with the range of views captured in informal notes that would serve as the basis for negotiation in 2018 and called on Parties to ‘redouble’ their efforts next year.

It also expressed concerns over the resistance of developed countries on the call for greater transparency and predictability in the provision of information on finance in accordance with Article 9(5) of the PA.

BASIC also expressed profound concerns over attempts by developed countries to unilaterally apply new eligibility criteria over access to funding under the GEF and GCF. It also understood that the compromise reached required the GCF Board to ensure that all developing countries have access to all financial instruments available in line with eligibility criteria in the governing instrument, relevant COP decisions and application of agreed policies of the Fund.

On the Talanoa Dialogue, it expected ‘developed countries to demonstrate what they are doing to close the ambition gap so as to avoid transferring the gap to developing countries from the pre-2020 to the post-2020 period’. Brazil also said that it is offering to host COP25 (in 2019).

The Maldives for the **Alliance of Small Island States (AOSIS)** said that ‘exceeding the Paris goals requires renewed political commitment if we hope to peak global carbon emissions by 2020 and put the world on a path to keep warming to less than 1.5°C’. It called for the Talanoa Dialogue to ramp up ambition and the acceleration of finance to small island developing states which are already suffering acutely from climate change by expanding access to grants and concessionary loans, systematically simplifying access to finance including loss and damage, and creating international instruments to incentivise private finance flows towards building resilience and ensuring timely disbursement of funds.

Ethiopia for the **Least Developed Countries (LDCs)** said, ‘The overarching outcome of the Talanoa Dialogue must lead to an increase in ambition by all countries to put us on track to limit the global temperature increase to 1.5°C through strengthening of our national contributions, managing a phase-out of fossil fuels, promoting renewable energy and implementing the most ambitious climate actions.’

On loss and damage, it said the scale of destruction is already beyond LDCs’ capacity to respond or cope and to lift its people out of poverty. While recognising that Parties could not agree on introducing loss and damage as a standing agenda item under the subsidiary bodies, it appealed for actual support and that the ‘Suva Expert Dialogue’ that was agreed to would lay a strong foundation for further raising the profile of loss and damage and in delivering the concrete actions needed by vulnerable developing countries.

It also expressed concern that climate finance appeared to be tapering downwards but welcomed the important decision taken at COP23 that firmly integrated the Adaptation Fund into the architecture of the PA as a crucial adaptation funding source for developing countries.

Representing the **Coalition for Rainforest Nations, the Democratic Republic of Congo** warned of the dangerous precedent set by the secretariat in not including the DRC’s proposal for an agenda item at COP 23 called the ‘*gateway to encourage, measure, report, verify and account for greater ambition from corporate entities, investors, regions, states/provinces, cities and civil society organisation*’. It said the proposal would be back on the agenda of COP24 and it would be organising voluntary consultations in this regard at the Bonn intersession next May.

(Informal consultations initiated by the COP Presidency did not lead to consensus among Parties to include the DRC proposal in the COP 23 agenda.)

China said the outcome in Bonn highlighted and consolidated the political momentum for international cooperation for climate change and the promotion of global green and low-carbon development. It noted the heavy task in 2018. ‘The historical momentum of the PA is not reversible ... China will continue on the basis of building a community of common human destiny. It will take robust domestic actions to deal with climate change and implement in earnest its declared nationally determined contributions (NDCs) and other targets,’ it added further.

Mexico, for the **Environmental Integrity Group**, said that the approval of the PA work plan and the Talanoa Dialogue remained two important features for next year while noting that some issues still lag behind.

In its intervention posted on the website, **Australia**, for the **Umbrella Group**, welcomed the design of the Talanoa Dialogue and trusted that the concept would ensure the Dialogue is ‘collective, inclusive and transparent’ in helping to raise future ambition.

It said a strong and effective enhanced transparency framework applicable to all Parties and guidance on how Parties account for their emission reduction commitments under the PA are both fundamental to ensuring credibility and public confidence in Parties’ efforts. It was pleased with progress to that end across the PA work programme.

Estonia, for the **European Union**, said it came to Bonn in search of progress with a view to honouring the international agreement that Parties worked hard and achieved in Paris. ‘Let us be clear ... next year will not be easy nor shall we pretend that we have found a solution to all outstanding challenges here. The journey ahead is long and complicated ... but the EU is not in the business of walking away from a difficult situation.

‘We heard concerns of our developing country partners and we understand their anxieties in the face of what seems to be an overpowering challenge of climate change. We all know it is no longer about science alone but about livelihood of our people,’ it added. It reiterated that the work to enhance pre-2020 actions remains a priority for the EU and it is proud of its record. It said as a sign of its commitment, the EU is planning to deposit the instrument of the Doha Amendment by the end of this year.

The US reiterated that it will withdraw from the PA unless it can identify suitable terms for engagement and that its participation in COP23 including in the negotiations at the session did not indicate a change in the US position.

‘We note that while the US continues to develop its policies, the decisions adopted at this session are without prejudice to our future positions on the matters addressed at this session and the content included in the adopted decisions.

‘Additionally, with regard to finance matters, and in particular the US\$100 billion collective finance goal, the US notes that it is aspirational in nature, is not legally binding – either collectively or on any Party individually – and does not create rights or obligations. As such, actions to mobilise finance taken by any country – either developed or developing – remain a domestic decision. In this context, the US reiterates that the financial pledges made by the last administration are not legally binding,’ it added.

It further said as a global leader in innovation, the US ‘anticipates continuing support for developing countries’ energy, land-use, and resilience activities where mutually beneficial to our broader foreign policy, economic development, and national security objectives’. In particular, the US will endeavour to work closely with other countries to help them access and use fossil fuels more cleanly and efficiently and help deploy renewable and other clean energy sources, given the importance of energy access and security in their NDCs.

Conclusions Adopted to Advance Paris Agreement Work Programme

Kathmandu, 22 November (Perna Bomzan and Meena Raman) – The meeting of UNFCCC’s Ad Hoc Working Group on the Paris Agreement (APA) eventually closed after 1 a.m., early morning of 18 November, with the adoption of conclusions to advance the Paris Agreement Work Programme (PAWP), overshooting its scheduled closing by three days, in Bonn, Germany.

The delay in adopting the conclusions and in resuming the closing plenary of the APA (which began on 15 November but was adjourned), was due to finding a resolution on the issue of addressing the modalities for the ex-ante information on public financial resources to be provided to developing countries referred to in Article 9.5 of the Paris Agreement (PA).

The need to address this issue was taken up by **South Africa** on behalf the **African Group**, and was supported by other developing countries but was strongly resisted by developed countries. Following informal consultations by the COP 23 Presidency, a resolution on the matter was found, which made possible for the APA closing plenary to resume and for conclusions to be adopted on the way forward in advancing the work on the implementation of the PA.

In the conclusions that were adopted by Parties, ‘the APA noted the progress made at this session as reflected in the annex to the conclusions’.

The annex contains the ‘informal notes prepared under their own responsibility by the co-facilitators’ of the six agenda items (items 3-8) under the remit of the APA and is about 266 pages. The six agenda items are viz. 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 PA.

The APA also noted ‘that substantive progress in the deliberations under agenda items 3-8 needs to be accelerated to ensure all issues achieve a sufficient degree of maturity and detail to allow for the timely completion of the work by December 2018’.

The APA also ‘reiterated its 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 Paris Agreement work programme (PAWP) by the Subsidiary Body for Implementation (SBI), the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the COP’.

‘To that end, the APA recommended that the President of the COP consider options for bringing together, under his own responsibility and without prejudice to the future work of the subsidiary bodies, the outcomes of the work of the APA, the SBI, the SBSTA and the COP on PAWP-related matters at this session.’

(In the decision adopted by the COP after the APA closing plenary (decision 1/CP.23), Parties ‘requested the Secretariat to develop an online platform to provide an overview of the work programme of the PA being carried out in the various subsidiary and constituted bodies, including the APA’. See further details in TWN Update 17.)

The APA also ‘noted the intention of its Co-Chairs to issue, by early April 2018, a reflections note with an overview of the outcomes of this session and to suggest options for the way forward on the basis of the views and ideas that Parties put forward at this session and in their submissions for the session, including as these have been reflected in the informal notes prepared at this session. The note will aim to advance the work of the APA with-

out prejudging any options or proposals Parties may put forward in the future.’

In recalling the APA’s general call for submissions by Parties, the APA ‘noted that focused textual proposals would be most helpful in allowing Parties to focus on substance in their deliberations on the APA agenda items’.

The APA also expressed its view ‘that additional negotiating time in 2018 may be useful, depending on the progress being made and the feasibility of convening an additional session in a cost-effective manner while also allowing effective participation of experts from developing countries’.

APA contact group

On 14 November, the APA met as the final contact group to hear brief final reports on each of the six agenda items by the respective co-facilitators as well as to consider the draft conclusions prepared by the Co-chairs, which would then be put forward for its adoption at the closing plenary, scheduled the next day on 15 November.

APA Co-chair **Sara Bashaan (Saudi Arabia)** took Parties through the proposed draft conclusions and opened the floor for comments and statements by Parties.

South Africa on behalf of the **African Group** stated that it was important to capture the points reflected in agenda item 8 (on matters related to the implementation of the PA), in the draft conclusions. It said that page 3 of the informal note on this agenda item contained three options as the way forward on the matter of Article 9.5 (on the issue of modalities for the ex-ante information on public financial resources to be provided to developing countries).

It reiterated that this issue was very important for the African Group and a number of developing countries.

South Africa further informed about a submission by the African Group in this regard which was contained in a conference room paper (CRP) which highlighted that the operationalisation of Article 9.5 of the PA is an important element of the comprehensive outcome of the work of the APA.

The European Union (EU), Australia on behalf of the **Umbrella Group** and the **United States (US)** did not support the proposal by South Africa.

China echoed the concerns made by South Africa and said that a proper way could be found to address the concerns in the conclusions.

The other key issue of divergence was whether the informal notes should be annexed to the APA conclusions.

Brazil, Ethiopia (for the **Least Developed Countries**), **Iran** (for the **Like-minded Developing Countries**), **the Maldives** (for the **Alliance of Small Island States**), along with the **EU, Switzerland**, and **Norway** supported the informal notes to be annexed to the conclusions while **Australia** and the **US** did not see the need to annex the notes to the conclusions.

The other issues in the draft conclusions which were debated upon were the need for an additional call for submissions, the need for streamlining the informal notes by the secretariat and the need for an additional negotiating session.

Iran on behalf of the **LMDC, India** and **China** did not want the secretariat to streamline the informal notes.

China was of the view of keeping the compilation of the existing informal notes as an annex and for Parties to digest the document, adding that ‘some Parties have concerns that their options and views will be eliminated and merged in the streamlined proposal’. Putting the informal notes together will be ‘pragmatic as the way forward to digest’ the document, it added further.

Co-chair Tyndall (New Zealand) in response to the feedback from Parties said that the informal notes would be annexed to the conclusions. In relation to further submissions by Parties, she proposed that the APA note that ‘focused textual proposals would be most helpful in allowing Parties to focus on substance in their deliberations’ and also proposed the deletion of any streamlining of the informal notes by the secretariat.

In response to the proposal by **the African Group** on the Article 9.5 issue, **Tyndall** said that there was no consensus by Parties on the matter but the Co-chairs ‘do recognise that proposal is of high importance to the Group and the support from Parties was also expressed’. She said that report on the APA outcomes would be included in the report to the COP.

South Africa in response wanted to ‘reflect collectively’ on the matter and ‘come back to you’. It insisted that the African Group’s concerns were not addressed by the Co-chairs.

Tyndall concluded that a revised draft of the conclusions would be done and adjourned the meeting, announcing the scheduled closing plenary would take place the next day on 15 November.

APA closing plenary on 15 November

On 15 November, the APA met at the scheduled closing plenary to consider the revised draft conclusions for adoption, presented by the Co-chairs.

Sara Bashaan (Saudi Arabia) informed that there was no consensus on the proposal by the **African Group** on the Article 9.5 issue, and that given the 'high importance and support from other Parties' the Co-chairs intended to refer to this issue in their oral report to the COP on the outcome of the APA, as well as in their written report.

South Africa on behalf of the **African Group** stated that they had consulted with the COP Presidency, who pledged to consult with all groups on the matter in this regard and therefore, requested an adjournment of the closing plenary until the consultations with the Presidency were concluded.

Bashaan reiterated the Co-chairs' understanding of the importance of the issue to the African Group and on the information provided about their consultation with the Presidency on the matter. The Co-chairs' suggestion was to reflect the issue in their oral and written reports and that the closing plenary could not be postponed.

South Africa took the floor again, underlining the fact that the adoption of the conclusions is a matter that required consensus by all Parties and that at this stage, there was no consensus on the matter. It said it trusted the COP Presidency and its process and requested to await the outcome of the consultations of the Presidency with all Parties on the issue.

Bashaan responded that 'we note your reservation' and 'noting your difficulty to engage in the process', requested to allow opportunities for other Parties to express their views. She further reiterated that there was no agreement in the room and that other Parties must be allowed to give their perspective on the draft conclusions and to work out the way forward.

Australia on behalf of the **Umbrella Group** said it did not support the proposal by South Africa and supported the proposal by Co-chair Bashaan on the way forward.

Bashaan responded by opening the floor for general comments and views.

South Africa took the floor again, stating its understanding of the process. It said that the nature of its intervention was to adjourn and that 'engaging on the substantive is not consistent with the rules of procedure'.

Ecuador on behalf of the **G77 and China** said that adoption of conclusions needed to reflect consensus by all Parties. It further said that the issue was a request by a group of countries from the G77 and it was an issue of all developing countries, adding that attention be given on the issue.

Iran for the **LMDC** supported the proposal by South Africa and requested an adjournment to allow for consultations 'in a very expeditious manner'.

The EU while respecting the African Group and the trust it had in the COP Presidency, requested the Co-chairs not to adjourn the meeting. **Japan** echoed the views of the EU.

Bashaan then responded that the Co-chairs would like to propose to suspend the meeting for 20 minutes and come back with the way forward.

Following the suspension which took more than the allotted time, **Bashaan** informed Parties that the Co-chairs were still working for a possible solution, proposing to suspend the meeting and come back later in the afternoon. She said, 'Colleagues will benefit by suspending this meeting now' and thus, suspended the meeting, announcing that the venue and time of the resumed session were yet to be decided.

The APA closing plenary only resumed on Saturday, 18 November after informal consultations on the Article 9.5 issue found resolution. (Further details on this will be provided in a separate article.)

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Key Outcomes from COP 23

Beijing, 23 November (Zhenyan Zhu) – Several key decisions and important outcomes were adopted at the recently concluded 23rd session of the Conference of the Parties (COP23) to the UNFCCC, which met from 6 to 18 November in Bonn, Germany.

The key decisions included outcomes from the Report of the Executive Committee (ExCom) of the Warsaw International Mechanism for Loss and Damage associated with climate change impacts (WIM), local communities and indigenous peoples' platform, issues relating to agriculture and gender and climate change.

The work on these issues began through informal consultations under the 47th session of the Subsidiary Body for Implementation (SBI47) and the Subsidiary Body for Scientific and Technological Advice (SBSTA47), which recommended draft conclusions for the adoption of the COP.

SBI47 and SBSTA47 concluded its work and closed in the morning of 15 November. SBI Chair **Tomasz Chruszczow (Poland)** and SBSTA Chair **Carlo Fuller (Belize)** presided over their respective closing plenaries.

Below are the highlights of some of the key decisions.

Report of the ExCom of the WIM on Loss and Damage

COP 23 considered and adopted the recommendations forwarded by the SBSTA and the SBI which included the following conclusions.

Parties welcomed 'the report of the ExCom of the WIM and the progress made in implementing its initial two-year workplan and operationalising the clearing house for risk transfer and the task force on displacement'.

It 'noted the flexible five-year rolling workplan of the ExCom which enables the timely con-

sideration of cross-cutting issues and current, urgent and emerging needs and that the ExCom will evaluate progress made towards implementing its five-year rolling workplan in 2020 and at regular intervals at subsequent meetings of the ExCom'.

The task force on displacement will convene a meeting in May 2018 on all areas of its work which will include wide consultations with stakeholders to ensure regional coverage. The task force will take into consideration both cross-border and internal displacement, in accordance with its mandate, when developing recommendations for integrated approaches to averting, minimising and addressing displacement related to the adverse impacts of climate change.

The secretariat, under the guidance of the ExCom and the Chair of the SBI, is requested 'to organise, in conjunction with SBI 48 (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, minimising 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'.

The COP reiterated its invitation 'to constituted bodies under the Convention, as appropriate, to continue to integrate into their work efforts to avert, minimise and address loss and damage that are particularly vulnerable to the adverse effects of climate change, vulnerable populations and the ecosystems that they depend on'.

It encourages the ExCom 'to seek further ways to enhance its responsiveness, effectiveness and performance by improving the planning and organisation of its work, including in the context of operations of its expert groups, subcommittees,

panels, thematic advisory groups and task-focused ad hoc working groups such as appropriate balanced representation, expertise of membership in accordance with the tasks, and the duration of the mandates (of the aforementioned groups)'.

At the start of the work during the first week of the climate talks, developing countries, led by **Cuba**, representing **the G77 and China**, as well as the **Alliance for Small Island States** had been pushing hard for a permanent agenda item under the Subsidiary Bodies to ensure discussions on the WIM intersessionally, so that the WIM can be effective in helping developing countries impacted by climate change. Developed countries resisted strongly the proposal of developing countries.

As a compromise, Parties have agreed to having an expert dialogue to explore a wide range of information at the next session of the SBs, that also requires the secretariat to prepare a report from that dialogue.

Local communities and indigenous peoples' platform

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 practise on mitigation and adaption in a holistic and integrated manner.

COP 22 (Marrakech, 2016) agreed to adopt an incremental approach to developing the local communities and indigenous peoples' platform with a view to ensuring its effective operationalisation.

The issue was included as a new agenda item at SBSTA47 and the SBSTA was invited to conclude its consideration of this agenda item by forwarding recommendations on the operationalisation of the platform for consideration and adoption at COP 23.

COP 23 decided that 'the overall purpose of the platform will be to strengthen the knowledge, technologies, practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change, to facilitate the exchange of experience and sharing of best practices on mitigation and adaptation in a holistic and integrated manner and to enhance the engagement of local communities and indigenous peoples in the UNFCCC process'.

It was also decided that 'the platform will deliver the functions of exchange of knowledge,

capacity for engagement and integration with climate change policies and actions'.

It also recommended that 'the process under the platform, including its operationalisation, take into account, inter alia, the interests and views of local communities and indigenous peoples, as well as the principles proposed by indigenous peoples' organisations of full and effective participation of indigenous peoples; equal status of indigenous peoples and Parties, including in leadership roles; self-selection of indigenous peoples' representatives in accordance with indigenous peoples' own procedures; and adequate funding from the secretariat and voluntary contributions to enable the delivery of its functions'.

The first activity of the platform will be a multi-stakeholder workshop on implementing the functions which would be moderated by the Chair of the SBSTA and a representative of local communities and indigenous peoples' organisations, and that these co-moderators would make an equal contribution to the design of the workshop.

The SBSTA is requested 'to consider at its 48th session (April-May 2018) the further operationalisation of the platform, including the establishment of a facilitative working group, which would not be a negotiating body under the Convention, and the modalities for the development of a workplan for the full implementation of the functions with balanced representation of local communities and indigenous peoples and Parties, and to conclude its considerations by making recommendations to COP24 (December 2018)'.

Developing countries, led by **the G77 and China**, insisted on the further operationalisation of the platform at COP 23 by having a working group under the UNFCCC to advance the platform but developed countries such as the **United States** and **New Zealand** could not agree to this. The compromise reached was the establishment of a 'facilitative working group' which would not be a negotiating body.

Issues relating to agriculture

COP 17, held in Durban in 2011, requested the SBSTA to consider issues relating to agriculture, with the aim of exchanging views. The SBSTA, at its 47th session, was invited to continue its consideration of this agenda item, taking into account Parties' deliberations and progress made at SBSTA 46, with a view to determining any further action it deemed appropriate.

The decision adopted at COP 23 requests ‘the SBSTA and SBI to jointly address issues related to agriculture including through workshops and expert meetings, working with constituted bodies under the Convention and taking into consideration the vulnerabilities of agriculture to climate change and approaches to addressing food security’.

Parties and observers are invited ‘to submit by 31 March 2018, their views on elements to be included in the work for consideration at 48th session of the subsidiary bodies (April-May 2018), including modalities for implementation of the outcomes of the five in-session workshops on issues related to agriculture and other future topics that may arise from this work and methods and approaches for assessing adaptation, adaptation co-benefits and resilience, etc’.

The Subsidiary Bodies are requested to report on the progress and outcomes of the work to COP26 (November 2020).

Developed countries resisted having any outcome on agriculture at COP 23, while developing countries wanted an outcome, given several years of work under this agenda item, especially in relation to issues relating to adaptation and agriculture.

Gender and climate change

The SBI was requested by a decision in Marrakech last year (decision 21/CP.22) to develop a gender action plan (GAP) in order to support the implementation of gender-related decisions and mandates in the UNFCCC process.

At COP 23, the GAP was adopted, which was created under the Lima work programme on gender, and ‘seeks to advance women’s full, equal and meaningful participation and promote gender-responsive climate policy and the mainstreaming of a gender perspective in the implementation of the Convention and the work of Parties, the secretariat, United Nations entities and all stakeholders at all levels’.

The GAP, which is contained in an annex to the decision, states, ‘Gender-responsive climate

policy requires further strengthening in all activities concerning adaptation, mitigation and related means of implementation (finance, technology development and transfer, and capacity-building) as well as decision-making on the implementation of climate policies. The GAP recognises the need for women to be represented in all aspects of the UNFCCC process and the need for gender mainstreaming through all relevant targets and goals in activities under the Convention as an important contribution to increasing their effectiveness.’

The GAP also sets out, ‘in five priority areas, the activities that will drive the achievement of its objectives’ which cover capacity-building, knowledge sharing and communication; gender balance, participation and women’s leadership; coherence (seeking to strengthen the integration of gender considerations within the work of UNFCCC bodies, the secretariat and other United Nation entities and stakeholders towards the consistent implementation of gender-related mandates and activities); gender-responsive implementation and means of implementation; and monitoring and reporting to improve tracking in relation to the implementation of and reporting on gender-related mandates under the UNFCCC.

The COP also decided that ‘the topics of the annual in-session workshops to be held in conjunction with the sessions of the subsidiary bodies taking place in the first sessional period of 2018 and 2019, will be based on the submissions referred to activity of priority areas of the GAP and on the short- and long-term impacts of the GAP’.

The COP also decided to review at its 25th session, the implementation of the GAP in the context of the review of the Lima work programme on gender so as to consider the next steps, including an assessment of the impacts of the GAP. It also invited Parties and relevant organisations to participate and engage in the implementation of gender-related activities within the GAP, including enhancing the capacity of the gender focal point of the secretariat.

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Intense Wrangling on Modalities for Addressing ex-ante Information on Public Finance

Penang, 23 November (TWN) – Developed countries' reluctance to address the modalities for the ex-ante information on public financial resources to be provided to developing countries referred to in Article 9.5 of the Paris Agreement (PA) delayed the closing of the UNFCCC's 23rd session of the Conference of the Parties (COP23) as well as the closing of the Ad Hoc Working Group on the PA (APA).

Resolution was found in the final hours, which eventually led to the closing of the APA and the COP early morning of Saturday, 18 November in Bonn, Germany, when the talks were officially scheduled to end a day earlier.

The need to address the Article 9.5 issue was first raised by **South Africa** on behalf of the **African Group**, and was supported by other developing countries including the **G77 and China**, but was strongly resisted by developed countries.

The G77 and China fought tooth and nail to keep the issue on the table and stated repeatedly that ex-ante information on public financial resources from developed countries to be provided to them would help developing countries plan and implement their nationally determined contributions (NDCs) under the PA and that the issue was intrinsically linked to the PA Work Programme (PAWP) that relates to the implementation of the PA.

It took several rounds of informal consultations with the COP 23 Presidency (Fiji) to resolve the deadlock in the final hours of the COP on 17 November, and a compromise was eventually reached on the issue.

(Article 9.5 of the PA reads: *'Developed country Parties shall biennially communicate indicative quantitative and qualitative information related to paragraphs 1 and 3 of this Article, as applicable,*

including, as available, projected levels of public financial resources to be provided to developing country Parties. Other Parties providing resources are encouraged to communicate biennially such information on a voluntary basis.')

(Article 9.1 states that *'developed countries shall provide financial resources to developing countries...'*; and Article 9.3 states that *'developed countries should continue to take the lead in mobilizing climate finance...'*.)

The discussions on Article 9.5 cut across two different agenda items under two different bodies of the UNFCCC: agenda item 8 of the APA and agenda item 10 (f) of the COP.

Agenda item 8 of the APA deals with 'Further matters related to the implementation of the PA'. This item comprises a sub-item, titled, 'Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9.5'.

(The Article 9.5 issue under agenda item 8 of the APA is in relation to what Parties refer to as the 'homeless' or 'orphaned' issues. In Paris in 2015, COP 21 assigned various tasks related to the PA implementation to several bodies, which included the APA, and the Subsidiary Bodies of the Convention among others. There were several matters that were not assigned to any of the bodies, which Parties referred to as the 'homeless' issues. 'Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9.5' is one of the 'homeless' issues, which is being discussed in the APA. For more information, read this [TWN Update 17](#).)

The COP under its agenda item 10 (f) deals with the *'Process to identify the information to be*

provided by Parties in accordance with Article 9.5 of the PA’.

Developing countries wanted the discussions under both the agenda items to continue because they argued that the nature of the discussions is fundamentally different in the two agenda items. They said that the COP deals with only the ‘process’ to identify information, whereas the issue of ‘modalities’ for the information under the APA agenda goes beyond just identifying information and includes setting up processes in place such as methodologies, definitions, reporting formats, underlying assumptions etc. Besides, said developing countries, there had not been any substantive progress under the COP agenda item except for a workshop held during the May session this year.

Given the importance of the issue, developing countries proposed that they find a ‘home’ or ‘body’ for the item and suggested that the APA deal with the matter to advance work on the issue. Developed countries did not agree and opposed this.

The developed countries were of the view that the matter of Article 9.5 was already being handled under the COP through its agenda item 10 (f). No amount of arguments by developing countries clarifying the difference between the ‘process’ for identifying information and ‘modalities’ to address them helped during the APA discussions.

Sources said that the word ‘modalities’ was a red line for **the European Union (EU)**.

The COP 23 Presidency took up the matter, given the lack of consensus in the APA to address this issue. (See TWN Update 19 for further details). The Presidency conducted several rounds of informal consultations on 16-17 November. Various proposals on how to resolve the issue emerged (see details below on how a resolution was reached).

During the first round of informal consultations with the heads of delegations by the COP Presidency on 16 November, sources revealed that **the G77 and China** wanted to table a proposal on how to deal with the issue, but **the United States** and **the EU** raised points of order, to the surprise of developing countries, and did not allow the proposal to be tabled.

The EU said it could accept conceptual discussions but no textual proposal could be put forth. **The G77 and China** thus had to verbally explain the proposal, the crux of which was to have an appropriate mandate on Article 9.5, in addition to the COP agenda item. It also wanted the issue to be discussed at the next intersession (in May 2018)

and any additional session likely to be convened next year because Article 9.5 was integral to the PAWP. There was no consensus and the meeting had to be closed.

A couple of hours later, the Presidency convened another round of informal consultations and presented a proposal to Parties. The proposal took developing countries by further surprise, as none of what they had proposed was included in there. The Presidency proposed that a pre-sessional dialogue, or a pre-sessional structured dialogue, or a forum be convened on the issue in conjunction with the May intersession next year and any additional session next year. The G77 expressed concerns regarding the outcome of such events and wanted the outcome to be time-bound and linked to the PAWP. They also insisted that Article 9.5 under the APA agenda should continue being considered, which developed countries did not agree to. The discussions went on till midnight on 16 November, with no resolution in place.

On 17 November, the COP23 Presidency issued another proposal, which developing countries were willing to consider. Developed countries, however, pursued giving up the Article 9.5 issue to be discussed under the APA agenda. After further negotiations, it was eventually agreed that COP item 10 (f) would be handled by the Subsidiary Body for Implementation (SBI) for its consideration at the May session next year, while the APA would continue deliberation of the issue under agenda item 8.

A senior negotiator described the fight as a ‘battle won’ in terms of securing space for discussions on Article 9.5 next year during the intersession. ‘It was an important fight to have. We have now secured space for further deliberations on Article 9.5, which the developed countries wanted to kill altogether,’ the negotiator told TWN.

The negotiator also described it as a story of success of how an issue initially pushed by the **African Group of Negotiators (AGN)** was supported by the **Like-Minded Developing Countries (LMDC)**, **the Arab Group**, **the Alliance of Small Island States (AOSIS)** and the **Least Developed Countries (LDC)**, leading to the G77 and China owning the proposal.

‘Information on ex ante financing by developed countries will help us plan our future climate action. We could not have afforded to bury the issue, which our negotiating partners wanted,’ another negotiator told TWN.

Highlights of how the matter was resolved

APA informal consultations on Article 9.5 under agenda item 8.

During the informal consultations on 9 November, **APA Co-chair Jo Tyndall (New Zealand)** said that it was clear from previous discussions (at previous sessions) that there was no consensus on the Article 9.5 issue. She said that some Parties were of the view that the COP could mandate the APA or the SBI to undertake work on the possible additional matter; other Parties considered no additional mandate was necessary given that the work was already happening under COP agenda item 10 (f); while some Parties did not agree that the COP agenda item addressed the issue at hand.

Several developing countries explained the rationale to keep the mandate on modalities of information alive. Developed countries, however, maintained that Article 9.5 and its associated paragraph 55 in decision 1/CP.21 (from Paris) were reflected in the COP agenda (item 10-f).

(Paragraph 55 of 1/CP.21 reads: *‘Decides to initiate, at its 22nd session, a process to identify the information to be provided by Parties, in accordance with Article 9, paragraph 5, of the Agreement with a view to providing a recommendation for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session (CMA I).’*)

According to **Canada**, the agendas of the APA and the subsidiary bodies were full in order to finalise the ‘Paris rulebook’. ‘It would not be to our advantage to add new items that are taking place in other agenda items,’ it said, adding that it was not neglecting the concerns of those countries that said that the issue might not be discussed to their satisfaction, ‘but whatever discussion needs to take place might happen within the existing discussions taking place in the COP’.

The EU said neither Article 9.5 nor paragraph 55 talked of ‘modalities’ and therefore, it would only be a procedural decision to take on whether to discuss 9.5 under APA or not. It said that it looked forward to discussing Article 9.5 and paragraph 55 of 1/CP.21 under COP item 10 (f). **Australia, Japan and the US** echoed **the EU**.

India said that Article 9.5 is a very important issue for developing countries because it is expected to provide clarity and predictability of climate finance flows and how these flows take into account the country-driven strategies and needs and

priorities of developing countries, and relates to ex-ante information.

China said that Parties had agreed that work would progress in a balanced manner on all the PAWP elements and stressed that Article 9.5 was one of them, calling for substantive discussions on the matter.

Egypt said that operationalisation of the PA means covering all the elements, which include Article 9.5 and therefore it must be reflected in the APA agenda. Egypt added that because ‘modalities’ were not mentioned did not mean it could not be discussed. ‘The work of the APA should have a placeholder for Article 9.5. The COP is dealing with the issue of “information” and there is nothing happening there. There was one roundtable in the last session and that was it. If we are talking about balanced progress, we have to include Article 9.5 (in our work) and that will be the way to move forward,’ it said further.

Ecuador for the **LMDC** said that two types of reporting needed to be done on finance. One was ex-post information, which is being discussed by the Subsidiary Body for Scientific and Technological Advice (SBSTA) and which is discussing both elements of ‘information’ and ‘modalities’. It further said that while ‘information’ includes categories of data, ‘modalities’ include methodologies, definitions, reporting formats, and underlying assumptions. The idea is to have overall information (from developed countries) so that it is comparable. Further, under the COP, Parties were discussing only ex-ante information, said Ecuador.

‘If we do not discuss modalities, we will end up with information without explanation on methodologies, definitions, underlying assumptions and so on. We heard opposing arguments that there is no mandate to discuss modalities under COP agenda item 10 (f), but we are not dealing with this agenda item here. We heard people say this is being dealt with in 10 (f), but that is not true. Without modalities, ex-ante information will be impossible to aggregate, and we need to aggregate the information for planning and implementing our NDCs and reaching the goals of the PA,’ emphasised Ecuador. It also proposed that APA should take up the work.

South Africa, for the **African Group**, lamented the ‘clear lack of political will to launch discussions’.

With no consensus, the matter was next taken up at a subsequent informal consultation on 10 November.

APA informal consultations on 10 November, agenda item 8.

Speaking for **the G77 and China, the Philippines** said that there has been no real progress on Article 9.5 under the COP agenda and it underscored the need for balanced treatment of all elements of the PA.

South Africa, for the **African Group**, said it would submit a conference room paper (CRP) on Article 9.5 in relation to the modalities, which should be included in the APA Co-chairs' informal note. (The CRP is available [here](#). It includes a draft decision to establish a process under the APA to define modalities for biennially communicating information on the provision of public financial resources to developing countries; it states the objectives of the modalities which include supporting the communication, recording and consideration of information, facilitating multilateral consideration of the biennial communications, and addressing timeframes.)

Reacting to developing countries stressing on balanced progress, **New Zealand** said it was continuously hearing the word 'balance' but balance would mean on what was agreed and not to add new mandates. 'For us to proceed, we do not support a new item. We need to stick to the mandates we got from Paris,' it stressed.

Canada also spoke about balance and said that it was important to realise that all Parties compromised in Paris and that every Party can 'air a ton of things they have with decision 1/CP.21 and even the PA'.

The Philippines for the **G77 and China** asked what action would follow once a process to identify information was initiated. 'We need to have the negotiating space in which we could discuss the substance of this and come to a decision, which we can bring to the attention of CMA,' it stressed further.

Egypt said operationalisation of Article 9.5 means including 'information' as well as 'modalities' and called for balanced progress of the PAWP.

The US however said that the list comprising 'homeless' matters under APA agenda item 8 was only about 'possible additional matters' with no status and there was no consensus that the additional matters should be added to the agenda 'either now or in the future'. **Norway** said adding a new element to an already full work programme would be highly controversial.

Informal consultations with the Presidency, 16 November at 3 p.m.

According to sources, during the informal consultations with the COP Presidency on 16 November, the COP Presidency made it clear that the discussion during the informal consultations should be focused on how to create a space to discuss Article 9.5 and asked Parties to get into the substantive elements of the issue.

Ecuador stressed on the need to discuss the issue of Article 9.5 in the intersession, rather than leaving it to be discussed at the COP at the end of the year.

Egypt said it was concerned about going into the 'where' and 'how' of the issue rather than addressing the 'what' of the issue. Egypt said the **G77** and **China** had a proposal in the form of a paragraph on the way forward.

South Africa, speaking for **the G77 and China**, requested the COP Presidency to have the text projected on screen so that Parties could engage and attempted to provide an introduction to the text when the **US** and the **EU** raised points of order one after the other.

The US and **EU** were against any text being projected on screen. **Canada** further said that it had no idea of the text certain Parties were referring to and suggested that Parties meet in a bilateral setting first. **Australia** also said that Parties could not put text up and suggested moving to bilaterals.

Responding to the points of order raised, **South Africa** said it was an informal consultation and it did not understand the relevance of a point of order in an informal consultation. It said the **G77** and **China** was contributing to the discussions through a proposal and it failed to understand how there could be opposition to that.

In response, the **COP23 Presidency** said that if **South Africa** provided text, others would also begin to provide text and the Presidency could not have 'text raining on us to hold conversations in an effective way'.

Brazil expressed grave concern that the Article 9.5 issue would not receive adequate treatment between COP23 and COP24.

Tuvalu for the **LDCs** said the issue was fundamental and was part of the Paris package that had to be delivered upon. It added that Parties would have to find 'formal means' to create intersessional work for Article 9.5. It further requested that the **G77** and **China** text be put on the screen, but the

EU objected and said that they were willing to discuss the issue at a ‘conceptual level’.

The Maldives for the **Alliance of Small Island States (AOSIS)** said that it was legit for Parties to have a look at the text. ‘It is fair to have a look at that (the text) and then see where we move. We do not see a reason why we cannot entertain to even have a look at the proposal,’ it said and added that procedurally, it was unfair to turn to points of order.

At this point the **COP 23 Presidency** said that she had heard calls for a strong need to have a space for discussion on Article 9.5, and that she was also hearing about balanced progress of the PAWP, and that it was not enough to put off the issue of Article 9.5 for discussions until COP24. She also said that she did not hear anyone say that the discussions should not be under the COP. She further added that Parties would have to decide on whether to have space for discussions and in what form and in which manner the conversation would take place in the space.

China clarified that while it was ready to engage with the three questions of the COP Presidency, **the G77 and China** was asking for an appropriate space for addressing the mandate on Article 9.5 in addition to the COP agenda item. Responding to the Presidency’s questions, China said that it was necessary to have more space and time to discuss Article 9.5. ‘We have just one session for the COP each year. We think it would be necessary that any session we have, either the intersession in May 2018 or an additional session (later in the year in 2018), this agenda item should also be on the table, which is under the COP now. That will mean we will have equal treatment. That’s the space and time issue,’ it clarified. China also said that it was flexible about the APA or one of the subsidiary bodies taking up the job.

Ecuador, referring to the stance of developed countries, said that ‘when you ask Parties whether intersessional work is needed, you will hear that the mandate sits with the COP. You will hear that it is not on the subsidiary bodies’ agenda. It is a matter of willingness. If we want to change the work being given to one of the subsidiary bodies, we can do that. Looking at space, it is definitely something we need.’

South Africa said the **G77 and China’s** view is that the SBI will be the appropriate platform for addressing the question of space and time. South Africa also said that Parties should reflect in the discussions matters related to the communication of the information, which was linked to discussions

under the APA agenda item 8. The idea is to provide further guidance on communication on information, it explained further.

Norway said that on COP agenda item 10 (f), the question was how to proceed with the work next year. On Article 9.5 under the APA, it said the issue is whether to include the matter in the PAWP. Having said this, it wanted to move to smaller consultations to find a solution.

Ecuador responded that Article 9.5 was an integral part of the PAWP. ‘The compilation of informal notes may turn into a decision that the CMA might adopt next year. The APA is not addressing several issues emerging from decision 1/CP.21, and these are recognised by placeholders. Article 9.5 does not have such recognition now. It needs to be part of the outcome in the PAWP,’ Ecuador emphasised.

In response, **the US** said that Parties had trouble in the existing space on the COP agenda item 10 (f) because there was an argument on the mandate. ‘Any outcome should resolve both space and what the mandate is. Until we can reach that type of understanding, we cannot provide additional space to the issue,’ it said further.

In response the COP23 Presidency said that Parties had exhausted the format and there was a need to have discussions in a smaller setting, with the heads of delegations only.

Informal consultations with the Presidency, 16 November, 5.15 p.m.

According to sources, the COP23 Presidency presented the following proposal to the heads of delegations, during the informal consultations:

1. ***Pre-sessional dialogue*** to exchange views and deepen Parties’ understanding with respect to the information to be provided by Parties in accordance with Article 9.5 of the PA. In conjunction with the session of the SBs in April-May 2018. The co-facilitators, to be appointed by the Presidency, to prepare a report on the dialogue under their own responsibility.
2. ***Pre-sessional structured dialogue***
 - to advance consideration of the recommendations to be finalized at COP24 pursuant to paragraph 55 of decision 1/CP.21
 - to provide an opportunity to further explore the possible additional matter being consid-

ered under agenda sub-item 8 (a) of the APA with respect to the modalities for biennially communicating the finance information on the provision of public financial resources to developing countries in accordance with Article 9.5 of the PA.

Immediately before the session of the SBs in April-May 2018. To be facilitated by two co-facilitators to be appointed by the Presidency.

3. **Forum** on matters related to the implementation of Article 9.5 of the PA and paragraph 55 of I/CP.21. In conjunction with the session of the SBs in April-May 2018 and with any additional session of the SBs. To be facilitated by the Presidency. The report on the Forum to be considered by COP24 in the context of finalizing the recommendations under agenda item 10 (f).’

Sources also said that there were no hard copies of the proposal made available and the G77 and China had a number of things it wanted to reflect on. **South Africa for the G77 and China**, it seems, said that they needed to understand the format and the scope of issues and the ability for the format to convene and whether the output would be out in time to reach a balanced PAWP. South Africa also said that the proposal did not provide a treatment to COP item 10 (f) in a manner that would allow an outcome by COP24.

The meeting with the heads of delegations was suspended for Parties to further consult on the proposal among themselves.

Informal consultations with the Presidency, 16 November past 10 p.m.

According to sources, the consultations started with the COP23 Presidency drawing out convergences. According to the COP23 Presidency, there was agreement among Parties that: there should be a space to talk; a need to make progress; the event that would provide the space should be in conjunction with the intersession or pre-session; the space was to discuss the content of COP agenda item 10 (f); discussion should be recorded; and that COP should use the report emerging from the event.

The Presidency, it seems, said that it was uncertain what would happen to the APA agenda item since **the EU**, the **Umbrella Group** and the **Environment Integrity Group** were of the view that the Article 9.5 issue under agenda item 8 should no longer be discussed.

Sources revealed that speaking for **the G77 and China, South Africa** said that it saw the SBI as the body to take up the work and that the perceived convergence on space by the COP23 Presidency did not reflect the views of the G77 and China. South Africa said that the SBI needs to address how the information is communicated, how it is recorded and how it is synthesized. It further said that the outputs of the agenda item should have sufficient standing for a decision to be taken by the CMA and that it was not the group’s view that the event should be in conjunction with the intersessional or pre-session. It also added that in the light of an event, it could not accept the view that the issue under agenda item 8 of the APA will not be further considered.

With no further interventions, the consultations came to an end and the COP Presidency informed Parties that it would inform them on the next steps.

Informal consultations, 17 November, around 11 a.m.

When the consultations convened, sources said that the COP23 Presidency had a different proposal for Parties. According to the new proposal, the COP would have a place for work on Article 9.5 in the May session in 2018 and COP23 would request the SBI to build on the work of the COP.

According to the proposal, an informal note would be prepared and if there was to be an event, the informal note would feed into it. The Presidency said that if there would be an additional session, the SBI’s work on Article 9.5 would be included in it. The Presidency also said that the discussion on possible additional matters would remain under the APA.

According to sources, in response, **South Africa for the G77 and China** said that its understanding of the proposal was it did not impact the work under APA agenda item 8, and with that understanding and with some minor changes, it was willing to go along with the proposal. It also said that there should be an additional item on the organisation of a one-off workshop on matters related to Article 9.5, especially on the process of communicating the information. The intent of the workshop would be to discuss how the information is communicated; how the information is recorded; and how the information is synthesized.

The US however said that while Parties seemed to be getting closer to a resolution, they were ‘not there yet’. It said that the overarching point was that conclusion of the item was related

to the conclusion of other items that were still open. It further added that discussion on agenda item 8 of the APA would need to be concluded if Parties were seeking additional time at the COP on item 10 (f). ‘We continue to believe that this should not be a new agenda item under the SBI. It should be a workshop or roundtable,’ said the US, who also wanted a reference to Article 9.5 linked to the PAWP removed.

Switzerland said that Parties would have to deliver on the agreed mandate under the COP agenda item 10 (f) and if they did not close discussions under item 8 of the APA, that meant that there was no common understanding of the mandate. **The EU** was reported to have said that having a workshop or a roundtable was a step forward to a compromise and that any output would need to conclude the discussion of Article 9.5 under the APA agenda item 8.

Sources revealed that with the deadlock, the Presidency asked of Parties to consult among themselves, and said that another meeting would be called later in the day.

Informal consultations with the Presidency, 17 November, around 8 p.m.

According to sources, in the informal consultations, the COP Presidency made a proposal which read as follows:

‘Proposed paragraphs in relation to Article 9, paragraph 5 of the PA

Requests the SBI to consider, beginning at its 48th session and at any subsequent sessions, in the context of the Paris Agreement Work Programme, identification of the information to be provided by Parties, in accordance with Article 9, paragraph 5, of the PA and to forward a recommendation for consideration and adoption by COP24 in accordance with the mandate set out in paragraph 55 of decision 1/CP.21.

Requests the SBI to consider the matter referred to in paragraph X above taking into account the deliberations among Parties under agenda item 10(f) at COP23.’

Sources revealed that **the EU** in response said that Parties had stretched their limits and had finally come to an agreement on how to handle the

Article 9.5 issue. It said that according to the proposal presented, agenda item 10 (f) under the COP would go to the SBI and APA agenda item 8 would remain part of the discussions.

The G77 and China supported the proposal.

The US it seems said that it had drafted a text along the lines of the proposal, which ‘several Parties’ had seen. The session was adjourned with **South Africa** reiterating its understanding that the G77 accepted the Presidency’s proposal, with APA item 8 staying as it is. It added that it could not endorse the language proposed by the US since it had not seen it.

In the **decision** that got adopted under the COP 23 agenda item 10 (f) on the ‘process to identify the information to be provided by Parties in accordance with Article 9.5 of the PA’, the relevant parts of the final compromise agreed to is as follows:

‘5. Requests the Subsidiary Body for Implementation to consider, beginning at its 48th session (April-May 2018) and at any subsequent sessions on the Paris Agreement work programme, identification of the information to be provided by Parties, in accordance with Article 9, paragraph 5, of the Paris Agreement, and to forward the outcomes to the COP at its 24th session (December 2018), with a view to the COP providing a recommendation for consideration and adoption by the CMA at the third part of its first session (December 2018);

6. Also requests the Subsidiary Body for Implementation to consider the matter referred to in paragraph 5 above taking into account the informal note...’

(The informal note refers to the note by the Co-chairs of the contact group that discussed agenda item 10 (f) on the ‘process to identify the information to be provided by Parties in accordance with Article 9.5 of the PA’.)

As agreed to under the APA, Parties will continue the consideration of Article 9.5 under agenda item 8 on the issue of ‘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’.

The May session next year is bound to see continued intense wrangling between developed and developing countries over the issue of ‘information’ and ‘modalities’ in relation to the Article 9.5 mandate under the PA.

Divide over Future of the Adaptation Fund under Paris Agreement

Penang, 24 November (Meena Raman and Aura Martinez) – Developed and developing countries are divided over the future and nature of the Adaptation Fund (AF) under the Paris Agreement (PA). The AF is currently under the Kyoto Protocol (KP).

This divide has become even more apparent from the most recent discussions that took place at the recently concluded climate talks in Bonn, Germany, that took place from 6 to 18 November, under the UNFCCC's Ad Hoc Working Group on the Paris Agreement (APA) over the matter of the AF serving the PA.

While **the G77 and China** wants the AF as it currently stands in terms of its operational policies and guidelines for Parties to access the Funds to remain the same when the AF serves the PA, developed countries on the other hand appear to want to change the nature of the AF from what it is today.

After a contentious and prolonged wrangling in Marrakech last year, the first meeting of Conference of Parties meeting as the Parties to the PA (CMA 1) decided that 'the AF *should* serve the PA, following and consistent with decisions to be taken...' in 2018, 'that address the governance and institutional arrangements, safeguards and operating modalities of the AF' (para 11 of decision 1/CMA1.1).

At the same time (by decision 1/CP.22, para 14), Parties requested 'the APA in its consideration of the necessary preparatory work on the AF to address the governance and institutional arrangements, safeguards and operating modalities for the AF to serve the PA'.

It has been clear from the discussions since last year that there are two kinds of challenges for Parties, especially developing countries on the issue of the AF viz. the institutional and governance issues related to how to make the AF serve the PA; and sources of funds for the AF.

During the recent Bonn session of the APA, the co-facilitators of the informal consultations on the AF matter, **María del Pilar Bueno (Argentina)** and **Pieter Terpstra (the Netherlands)**, invited and received four inputs from Parties which they annexed to their informal note which revealed differing views on the future and nature of the AF.

In the input provided by **the G77 and China**, the proposal was for a draft decision by the Conference of Parties serving as the meeting of Parties of the Kyoto Protocol (CMP) 'to decide that the AF shall serve the PA, and shall function under the guidance of and be accountable to the CMA, following a decision by the CMA'. It also called for further work to be undertaken 'on the current arrangements related to the governance, safeguards and operating modalities of the AF'.

The G77 and China also proposed a draft decision for the CMA that 'welcomes the decision of the CMP that the AF shall serve the PA and shall function under the guidance of and be accountable to the CMA', and for a decision by the CMA to confirm the same.

The proposal also calls for Parties to decide 'that the operational policies and guidelines for Parties to access funding from the AF, including (its) operational policies and guidelines..., results-based management framework (and that of the readiness programme), risk management framework, environmental and social policy, gender policy, open information policy, knowledge management strategy, resource mobilisation strategy, and medium-term strategy shall be applied *mutatis mutandis* when the AF serves the PA'.

The G77 and China proposal also acknowledges 'that the CMA shall ensure, in accordance with Article 6.6 of the PA, that a share from activities referred to in Article 6.4 is used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable

to the adverse effects of climate change to meet the costs of adaptation’.

(The mechanism referred to under Article 6.4 of the PA is as follows: ‘*A mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development is hereby established under the authority and guidance of the CMA for use by Parties on a voluntary basis.*’)

The European Union (EU) proposed textual elements for the CMA and CMP decisions in 2018. According to the inputs from the EU, ‘From 2020, the AF should serve only the PA in accordance with the CMA/CMP decisions in 2018 (and subsequent decisions). From the date the AF should serve the PA, the AF operates under the guidance of, and reports annually to, the CMA.’ The EU input makes clear that the ‘AF is not an operating entity of the financial mechanism’.

It states that the ‘AF contributes to an effective and coherent climate finance architecture. From the date the AF should serve the PA, developing country Parties to the PA are eligible to receive resources from the AF’.

On the issue of funding, the EU states that ‘the financing model of the AF should be flexible and diverse’ and that it ‘does not support any obligatory replenishment to the AF’.

It also states 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’.

The EU input also proposes that Parties have to ‘decide to what extent the previous guidance to AF in relevant decisions of the CMP, including those agreed before adoption of the PA, shall apply *mutatis mutandis* to the AF when it serves the PA’.

In the input provided by **Australia, Canada, Japan, New Zealand**, and the **United States**, they state that they ‘...consider that the AF should only serve the PA’ and that the Fund ‘has the potential to play an important role in the broader framework to support enhanced action for adaptation by those Parties that are particularly vulnerable to the adverse impacts of climate change in a manner that complements rather than duplicates existing architecture’.

It states further that they ‘value the elements of the AF that see it make a unique contribution including its direct access modalities, capacity to finance small projects, and innovative finance streams’.

On the issue of sequencing the decisions for the AF to serve the PA, the input provides that ‘the

CMP would take the first decision – giving up all authority over the existing AF Board from a specified date and clarifying what will happen to its existing finance and future share of proceeds receipts under the KP’.

‘The CMA would decide in 2018 that the AF serves the PA from the same date specified in the CMP decision, and address: Board composition that reflects the PA; transitional arrangements between the CMA and the Board, which would see the Board operating “under the guidance of and accountable to” the CMA; the mandate of the Standing Committee on Finance to prepare draft guidance to the AF from the CMA, and governance and institutional arrangements, safeguards and operating modalities (including as specified herein.)’

On ‘governance and institutional arrangements’, the input states that:

- The AF serves only the PA, and stops serving the KP from the date specified in both the CMA and CMP decisions a date to be specified by the CMA and CMP in their respective capacities;
- The CMP and CMA address reporting arrangements for projects approved under the CMP and within the project pipeline, in light of their respective capacities;
- Board composition reflects the PA, including a more appropriate balance of representation – such as measures related to geographic, gender and other relevant considerations – and preserves a specific role (for) Small Island Developing States (SIDS) and Least Developed Countries (LDCs);
- 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 arrangements.’

On the operating modalities, the input states that ‘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 SIDS and LDCs’.

Switzerland in its input said that it ‘fully supports the AF and believes it should serve the PA under the common understanding that it will continue to focus on its comparative advantages. In our understanding, the Fund should, in order to serve the PA, be under the guidance of the CMA and therefore be shifted from the Kyoto Protocol to the PA. The primary source of funding should continue to be share of proceeds from market mechanisms. The shift of the Fund to serve the PA

is a critical item for its continued vitality. Therefore, as the Parties discuss transitional periods, the discussions should hold the principle that transitional periods for various elements of the Fund – or single transitional period for all elements – should be kept reasonably short.’

As the week continued, developing countries demanded to begin actual textual negotiations in order to expedite the decision-making process but developed countries (notably **Australia** and **Japan**), wanted to continue work on the basis of informal notes.

With no resolution in sight, consultations continued in an ‘informal informal’ setting under the CMP Presidency (Fiji) under the CMP agenda item on ‘matters relating to the AF’, which went on till early morning of Saturday, 18 November. and was one of the reasons for the delayed closure of the APA as well as the COP and CMP.

At the CMP

Various efforts were made by the Fijian Presidency to help resolve the impasse which led to a

final decision being adopted by the CMP on 18 November. The relevant part of the decision in relation to the AF serving the PA is as follows:

According to para 13 of the decision, the CMP decided ‘that it will consider whether the AF shall serve the PA exclusively, under the guidance of and accountable to the CMA, following a recommendation from the CMA on this matter to the CMP at its 15th session (Nov 2019)’.

In para 14 of the decision, the CMP noted ‘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’.

In para 15, the Parties recognised ‘that the AF should continue to contribute to an enhanced, efficient and coherent climate finance architecture’.

The APA discussions next year are bound to be contentious, as Parties attempt to bridge the current divergence of positions as regards the AF serving the PA.

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COP 23 Adopts Host of Finance Decisions

Penang, 27 November (TWN) – The UNFCCC’s COP23, held from 6-18 November in Bonn, Germany, adopted a host of finance-related decisions.

These included decisions on long-term climate finance, report of the Standing Committee on Finance (SCF), review of the functions of the SCF, report of the Green Climate Fund (GCF) to the COP and guidance to the GCF, report of the Global Environment Facility (GEF) and guidance to the GEF; sixth review of the Financial Mechanism; and process to identify the information to be provided by Parties in accordance with Article 9.5 of the Paris Agreement (PA).

Some finance-related matters were also there under the Ad Hoc Working Group on the Paris Agreement (APA) and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

A crucial decision on the third review of the Adaptation Fund was also taken under the Conference of Parties serving as the meeting of Parties to the Kyoto Protocol (CMP). (See TWN Update 22 on this issue.)

(See also TWN Update 21 on ‘process to identify the information to be provided by Parties in accordance with Article 9.5 of the PA’.)

We provide below highlights of some of the key decisions on finance-related matters that were undertaken by the COP, APA and SBSTA.

Finance issues under the COP

Long-term climate finance (LTF)

There were several sticky issues in the discussions on LTF.

Some of the key issues that the developing countries wanted reflected in the decision included reference to scaling up provision and mobilisation of climate finance in the decision; language on predictability; nationally determined contribution

(NDC)-related needs of developing countries; recognising the need for public and grant-based resources for adaptation; requesting developed countries to enhance qualitative and quantitative elements of a pathway to 2020 through provision of information; and requesting a compilation and synthesis of developed countries’ biennial submission in time to inform the 2018 high-level dialogue on climate finance.

Developed countries were not amenable to include these in the decision. As negotiations progressed, the decision adopted makes a reference to the needs of developing countries as well as the need for public and grant-based resources for adaptation (see highlights of LTF decision below).

Developed countries on the other hand wanted certain elements to be included which developing countries were not comfortable with. These included recognising progress made towards fulfilling the US\$100 billion pledge by 2020; acknowledging the steps taken by multilateral development banks in developing methodologies on reporting climate finance. The paragraph in question that was initially proposed read:

‘Acknowledges the steps taken by Parties and multilateral development banks in developing methodologies on reporting climate finance and their increased efforts to mobilise climate finance, and encourages multilateral development banks to enhance their cooperation in scaling up climate finance and improving their methodologies on reporting climate finance.’

The paragraph got removed due to intense opposition by developing countries.

Highlights of the LTF decision as adopted by the COP are as follows:

Parties welcomed *‘with appreciation progress of developed countries towards reaching the goal of jointly mobilizing USD 100 billion annually by 2020’*.

They also recalled *'the commitment of developed countries to mobilize USD 100 billion'* and urged *'them to scale up climate finance'*.

Developed countries were urged *'to channel a substantial share of public climate funds to adaptation activities and to strive to achieve a greater balance between finance for mitigation and finance for adaptation, recognizing the importance of adaptation finance and the need for public and grant-based resources for adaptation'* (emphasis added).

The decision also requested the secretariat to *'prepare a compilation and synthesis of the biennial submissions (on finance)'* of developed countries and for the secretariat to assist developing countries *'in assessing their needs and priorities, in a country-driven manner, including technological and capacity-building needs, and in translating climate finance needs into action'*.

The decision also recalled that the 2018 LTF workshop will focus on *'experiences and lessons learned from articulating and translating needs identified in country-driven processes into projects and programmes, roles of policies and enabling environments for mitigation and adaptation finance, and facilitating enhanced access'*.

Highlights of decision on the report of the SCF

The decision *'notes that the SCF extended the two-year workplan on the measurement, reporting and verification (MRV) of support beyond the biennial assessment (BA)'*, and *'requests the SCF to enhance its work on the MRV support beyond the biennial assessment, acknowledging the progress made...'*

Sources revealed that there has not been much progress on the issue of the MRV of support beyond the BA within the SCF due to reluctance on the part of developed countries to advance the issue, citing that work is underway in other bodies.

Developing countries though have been insisting that the SCF should do substantive work on MRV of support beyond the BA because it is crucial for developing countries, especially the verification aspect.

The decision, among other things, also:

'Welcomes the 2017 forum of the SCF on the topic of mobilizing finance for climate-resilient infrastructure; invites the SCF to conclude its deliberations on the topic of its next forum'; and welcomed *'the offer by the Republic of Korea to host a 2018 forum of the SCF'*.

Review of the functions of the SCF

Discussions on the review of the SCF were highly contested with Parties not being able to arrive at any resolution until the very end of the COP. The main disagreements were in three areas viz. on functions of the SCF; representation of members in the SCF; and periodicity of the forum of the SCF.

On the issue of functions of the SCF, the primary disagreement was over whether the SCF should continue to provide guidance to the operating entities of the financial mechanism of the Convention (the GEF and the GCF).

Among other arguments, developing countries argued that the SCF was created to provide guidance to the operating entities and that the function should continue. Developed countries said that even if Parties agreed on some guidance in the SCF meetings, the guidance is opened up at the COP and therefore the SCF should not 'waste time' discussing guidance in its meetings.

In the decision adopted by the COP, the language pertaining to this reads as follows:

'Encourages the SCF to prioritize specific areas of work in the light of its workload in a given year and emphasizes the need to continue to enhance all the functions of the SCF, including to take into consideration its mandate to serve the PA in line with decision 1/CP.21, paragraph 63.'

(Paragraph 63 says that the SCF shall serve the PA *'in line with its functions and responsibilities established under the Conference of the Parties'*.)

On the issue of membership, developing countries proposed to establish the practice of having 'alternate members' attending the SCF meetings if the primary members were not available to attend meetings. This was expressly rejected by developed countries. Developing countries provided the rationale that it was not always possible for the members to attend meetings due to some exigencies and therefore alternate members should be allowed to participate. There was no consensus on the matter and in the decision that got adopted the matter has been reflected as follows:

'Decides to continue its deliberations on ways to enhance the participation of members of the SCF, acknowledging the need to ensure the full participation and contribution of all constituencies in the meetings of the SCF and the continuity of the work of the SCF;'

The decision also *'requests the SCF to provide options for the enhancement of the participation of members and to report back to the COP at its 24th session (December 2018)'*.

On the issue of the SCF forum, disagreement arose over whether the SCF should conduct forums every year, which is the current practice.

Developed countries were of the view that forums should be held once in two years given the workload of the SCF, but developing countries were in favour of a forum every year as they found them quite helpful. There was nothing reflected in the decision on the issue of the frequency of the forums.

COP guidance to the GCF

One issue that was among the most contested of the finance issues at COP23 was a proposal from developing countries to ensure that all developing countries are eligible to receive funding from the GCF.

(According to the Convention all developing countries are eligible for funding and the governing instrument of the GCF also makes this clear.)

Given the recent problem that arose at the 18th Board meeting in Cairo, Egypt, developing countries were of the view that clear guidance was needed to the GCF.

(At its 18th Board meeting, the GCF Board failed to approve two projects from Paraguay and Argentina. The Board Member from the United Kingdom had objected to the projects, citing the 'level of concessionality sought' and 'the rationale for GCF funding' given the 'development and income status' of Paraguay and Argentina.) (For more, see related TWN Update).

To ensure such incidents are not repeated, developing countries proposed language in the guidance to be given by the COP, to reflect that all developing countries should receive funding irrespective of the level of concessionality sought and that all developing countries must have access to all financial instruments available through the GCF.

After several rounds of informal consultations on the matter, the decision adopted requested *'the (GCF) Board to ensure that all developing country Parties have access to all the financial instruments available through the GCF, in line with the eligibility criteria referred to in the governing instrument and relevant decisions of the COP and to ensure application of the agreed policies of the GCF'*.

The decision adopted also touched upon several concerns in relation to disbursement of GCF funds after projects are approved; the pace of accreditation; the challenge in accessing financial resources, especially for adaptation; improvement in readiness support for developing countries; and replenishment of funds, among others.

COP guidance to the GEF

As in the GCF decision, the eligibility criteria also proved contentious in the guidance to the GEF. Developing countries wanted to ensure that no developing country faced problems in accessing GEF resources, which is currently the case.

Developing countries also wanted more allocations of the GEF resources to go to the climate change focal area but this was resisted by developed countries.

In the decision adopted, the COP requested *'the GEF to continue implementing in its 7th replenishment period its established policies for grants and concessional funding, in support of developing country Parties, in line with the provisions of the Convention, relevant decisions of the COP and the Instrument for the Establishment of the Restructured GEF'*.

It also called for ensuring a *'robust 7th replenishment in order to assist in providing adequate and predictable funding, taking into consideration the PA as well as the request of the COP to the GEF'*.

The COP also requested the GEF *'to further consider the needs and priorities of developing countries in the allocation for the climate change focal area in its 7th replenishment period'*.

It also welcomed *'the operationalization of the Capacity-building Initiative for Transparency and projects approved during the reporting period, and requests the GEF to provide adequate support to assist developing country Parties...'*

It also invited the GEF to *'further consider ways to improve its access modalities' for developing countries, including Small Island Developing States and the Least Developed Countries.*

The COP requested the GEF *'to ensure that its policies and procedures related to the consideration and review of funding proposals be duly followed in an efficient manner'*.

The COP also invited the GEF *'to allocate provisions in the climate change focal area of its 7th replenishment for supporting developing country Parties in undertaking technology needs assessments and piloting priority technology projects to foster innovation and investment'*.

Setting a new collective goal on finance – APA

Under the APA, one of the matters under its remit under agenda item 8 on ‘further matters related to the implementation of the PA’ is the issue of setting a new collective goal on finance under paragraph 53 of 1/CP.21.

(Para 53 provides 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’.)

Discussions on the issue proved contentious, with developed countries saying that there was no immediate need to discuss the issue as the work had to be carried out before 2025 and developed countries would be comfortable if work on the new quantified goal began in 2024.

However, several developing countries pressed for the issue to be accorded urgent attention since it would take a lot of time for preparatory work to be undertaken to set a new collective quantified goal on finance. With no consensus on the issue, the informal note produced by the APA Co-chairs merely says that the APA will continue to consider the issue at its next session.

Besides these, the APA also discussed transparency of support, which has finance-related elements in it. The co-facilitators’ informal note captures a range of views by countries in the form of headings and sub-headings. These are expected to

be the basis of negotiations under the Paris Agreement Work Programme (PAWP) next year.

Modalities for accounting of finance under SBSTA

In relation to the PAWP, SBSTA discussed the issue of ‘Modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, of the PA’.

(Article 9.7 of the PA reads: *Developed country Parties shall provide transparent and consistent information on support for developing country Parties provided and mobilized through public interventions biennially in accordance with the modalities, procedures and guidelines to be adopted by the CMA, at its first session, ...*)

The informal note on the issue prepared by co-facilitators comprises draft elements on the timing of the SBSTA work, objective and principles, general considerations and cross-cutting considerations.

According to sources, Parties expressed their views, which they wanted captured in the informal note, without necessarily opposing each other’s views at this stage.

During the discussions, developing countries highlighted that modalities should include measurement and reporting and information should be consistent and comparable. Developing countries also stressed on the need for Parties to arrive at an operational definition of climate finance.

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