

Efforts continue to bridge outstanding issues on final day of climate talks

Madrid, 13 Dec (TWN) – The climate talks under the UNFCCC are scheduled to end today, 13 Dec. However, judging from how far apart Parties still are on some of the major issues as of 12 Dec, many delegates and observers alike, expect a long drawn out night, that could spill over to Saturday, 14 Dec, before the talks come to an end.

Groups of Parties were engaged intensely throughout the day on Thursday, in ministerial-led consultations, as well in direct negotiations with each other, with some working till early hours of Friday, in efforts to find resolution on the remaining outstanding issues.

At an informal stocktake plenary convened by the Chilean COP 25 President around noon on 12 Dec, feedback was provided by Ministers leading the consultations on some of the key outstanding issues requiring resolution.

Article 6 of the Paris Agreement (on markets and non-market approaches)

Minister **James Shaw (New Zealand)** reported back that he, together with Minister **Barbara Creecy (South Africa)** met Parties in bilaterals and heard their views. He reported that there was a “high level of consensus on the principles” to be applied as regards Article 6 and that there were concerns over the issue of “environmental integrity” as well as on the “diversity of nationally determined contributions (NDCs)” of Parties.

Another issue flagged was over “predictable and adequate resources for adaptation” (from the share of proceeds of the Articles 6.2 and 6.4 mechanisms). The New Zealand Minister outlined the process for further consultations to be carried out on Thursday, by holding “bilaterals with decision-makers to find landing zones”, while making “available for Parties” a room “for

technical work if they wished”, with the aim of producing a text for Friday, morning 13 Dec.

Clean Development Mechanism under the CMP

In a somewhat related matter, the COP 25 President **Carolina Schmidt** informed the plenary that in the contact group dealing with the Clean Development Mechanism (CDM) under the Conference of Parties to the Kyoto Protocol (CMP), no consensus was reached among Parties due to the potential implications for the CDM in relation negotiations on-going under Article 6 of the Paris Agreement. The COP President informed Parties that further consultations will be held in this regard on this matter. (Some developing countries have proposed that the certified emission reduction credits obtained under the CDM under the Kyoto Protocol be carried over to the Article 6 mechanism).

Warsaw International Mechanism on Loss and Damage (WIM)

Minister **Simon Stiell (Grenada)**, who is leading the consultations with Minister **Ola Elvestuen (Norway)**, reported back that groups of Parties were invited to bilaterals and said that they “heard views of Parties wanting to arrive at landing zones and to strengthen the WIM”.

The Minister from Grenada also reported that on the issue of the governance of the WIM, consultations will continue “with ministers for finding a political resolution in Madrid.” (The issue here relates to whether the WIM should be exclusively under the authority and guidance of the CMA [Parties to the Paris Agreement] or whether it should also continue to be governed by the COP [Parties to the Convention] as well).

(According to a developing country delegate, groups of Parties were engaged in the bilateral ministerial-led consultations beginning evening of Thursday, which spilled over to the early hours of the morning of Friday. It seems that the **United States** was consulted first and spent almost an hour with the ministers, with the **European Union** called in next. The sub-groupings of developing countries under the **G77 and China** apparently decided to give up their group slots and requested to meet with the ministers as one group. The outcomes of these consultations are expected to be revealed sometime today, and whether Parties can come together with an agreed outcome remains to be seen).

(Among the main issues of contention were over the scaling up of finance from developed countries for loss and damage; linkages between the Executive Committee (ExCom) of the WIM and the Standing Committee on Finance; guidance to the operating entities of the Financial Mechanism of the Convention as regards loss and damage; the establishment of an expert group by 2020, to address enhanced action and support for loss and damage with the ExCom undertaking work in this regard; and establishment of the ‘Santiago Network on Addressing Loss and Damage’ under the WIM no later than the end of 2021).

(Apart from the WIM governance being a major issue to be resolved, developing countries are also concerned over the push particularly by the United States on the application of paragraph 51 of decision 1/CP. 21 adopted in Paris that reads: “...Article 8 of the Agreement does not involve or provide a basis for any liability or compensation”).

Overarching decision of the COP/CMA and the CMP

Ministers **Masagos Zulkifli (Singapore)** and **Teresa Ribera Rodríguez (Spain)** have been tasked to undertake consultations as regards the overall decisions (referred to as ‘Decision 1’) of the respective bodies, viz. the COP, the CMA and the CMP.

The Ministers reported that a “first working draft of the decision” was introduced yesterday and bilateral consultations were held. The key issues in this regard were on ‘raising ambition’, including the ‘work programme on pre-2020 implementation’, references to nationally determined contributions (NDCs) in 2020; issues around ‘land and oceans’; and ‘loss and damage’. The plenary was informed that the Ministers will

consider “bridging proposals” and will then “refine” their paper and provide a further update in the evening. (Another stocktake was scheduled in the evening but did not take place).

Forum on Response Measures

On the issue of the work of the ‘Forum on the impact of the implementation of response measures’, Minister **Hussein Rasheed Hassan (Maldives)** and Ambassador **Marc Vanheukelen (European Union)** reported on their consultations with groups of Parties. The Maldives Minister said that they were able to identify major views and divergences and encouraged groups to speak bilaterally, and informed that they will hold further meetings.

(The Forum has not been able to finalise their work plan due to opposition from developed countries and the task in Madrid is to reach agreement so that the Forum can start its work).

The stocktake also heard interventions from various groups of Parties and countries who stressed the issues of importance to them, which they hoped will find resolution in Madrid.

Finance related matters

Meanwhile, on various matters relating to finance under the COP, ‘informal-informal’ consultations continued whole day yesterday among Parties, in an attempt to bridge differences, based on the draft texts prepared by Co-chairs of the contact group.

Negotiations continued to be contentious between developed and developing countries, according to developing country delegates.

On long-term finance (LTF), developed countries persisted in opposing the need to continue having the LTF.

Third World Network also learnt that there were several procedural fights on which texts were to be sent to the COP Presidency on all the finance issues, including on the LTF, matters related to the Standing Committee on Finance, and guidance to the Global Environment Facility and to the Green Climate Fund. Developing countries led by the **G77 and China** proposed that their proposals should be included in the texts.

Finally, bracketed texts on all finance issues were transmitted to the COP Presidency.

With the various contentious and difficult issues still needing to be resolved, it will indeed be a

challenge to bridge the divergences within the remaining hours of the talks on its final day.