

No decision taken that Adaptation Fund serves Paris Agreement - say developed countries

11 Nov, Marrakech (Meena Raman) – A major controversy has arisen between developed and developing countries as regards the Adaptation Fund and the Paris Agreement (PA), under the informal consultations which are on-going under the Ad hoc Working Group on the PA (APA).

Parties have been having informal consultations facilitated by APA Co-chairs, **Jo Tyndall (New Zealand)** and **Sarah Baashan (Saudi Arabia)**, under agenda item 8 on ‘Further matters relating to the implementation of the PA’ that includes the issue of the Adaptation Fund (AF).

At the consultations held on Nov. 10, developed countries made clear their view that no decision was taken in Paris last year that the AF serves the PA.

Differences have emerged among Parties as to what exactly is the mandate of the work of the APA.

(In response to the invitation by the 11th session of the Conference of Parties serving as the meeting of the Parties to the Kyoto Protocol [CMP 11] that met in Paris last year, the 22nd meeting of the Conference of Parties to the UNFCCC [COP 22 in Marrakech] is invited to request the APA to undertake the “necessary preparatory work” on the issue that the AF may serve the PA in accordance with para 9 of decision 1/CMP.11).

In issue is the meaning of the words “the necessary preparatory work”.

(In Paris, the CMP 11 had also recommended that the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, at its first session, consider that the AF may serve the PA).

The developing countries led by the **G77 and China**, are of the view that APA mandate is to have a mere procedural decision to give effect to

the decision taken in Paris as regards the AF serving the PA.

Philippines for the **G77 and China** reminded Parties that the AF was agreed to in Marrakech in 2001 and was put under the Kyoto Protocol (KP) because the funds for it came from the share of proceeds from the Clean Development Mechanism.

Argentina also stressed that the decision needed was procedural as did not understand why the AF was being treated differently from other funds (like the Global Environment Facility or the Green Climate Fund which are under the Convention), except that the AF is under the KP.

Bahamas, which also coordinates the **G77** on the matter of the AF, said that the APA’s mandate is clearly procedural. It said that the **G77** could restate why the AF is important but that is sending the wrong message (as to the importance of the AF serving the PA).

Similar views were also expressed by **Egypt** for the **African Group**.

Australia said that the matter was not simple and procedural. It said that the CMA may take a decision for the AF to serve the PA and the mandate does not say that the AF will serve the PA. The CMA needs to be informed about the AF and its role and that is the preparatory work that is needed.

Argentina in response to Australia said that developing countries have expressed strongly about the importance of the AF in serving the core objectives of the PA. The decision needed is procedural as the APA needs to recommend to the CMA that the AF serves the PA.

Bahamas said that there is no issue that the AF has a role in adaptation and that is how developing countries interpret the PA.

The **European Union** said that Parties have different views over how to organise the preparatory work and that a decision that the AF serves the PA is not a procedural decision.

The **United States** agreed that adaptation finance is important and so is the AF. It said it had different views on what constitutes preparatory work and several questions have to be addressed before Parties say that the AF serves the PA. It is a question of interpretation of what is or is not preparatory work.

Nicaragua stressed that no Party to the Convention must be excluded from accessing the resources of the AF (even if they are not a Party to the PA).

The **Philippines** said that it was left speechless after hearing the responses of the developed countries who appear not to know about the AF as it has been in existence since 2001.

Switzerland said that whether AF may serve the PA is not a procedural decision and Parties were uncertain and cannot say that the AF could serve the PA. There were many uncertainties (in Paris)

and Parties ran out of time to clarify and so the decision was taken for the preparatory work to be done to clarify that the AF must serve the PA. It said that there are some Parties around the table who are not Parties to the KP (in reference to the US and Canada). Therefore, “we cannot simply copy and paste” that the AF can serve the PA, it added.

Egypt in response said that Parties are celebrating the PA but are questioning adaptation support. It said that the AF can serve the PA and that is crucial to the PA.

Costa Rica for the **Independent Association of Latin America and the Caribbean (AILAC)** said that there is uncertainty about the process and substance of the mandate and that it is important to look for ways to increase funding for adaptation. Hence, it said Parties need to find ways to come out with a solution.

The APA Co-chair Baashan said that more time will be scheduled to consider the matter further.