



PARIS HIGHLIGHTS: THURSDAY, 3 DECEMBER 2015

On Thursday, 3 December, the ADP 2-12 contact group continued consideration of the negotiating text of the agreement and associated decisions. Spin-off groups and informal informals under the ADP addressed: preamble and purpose/general; mitigation; adaptation, and loss and damage; finance; technology development and transfer; capacity building; transparency; global stocktake; implementation and compliance, and final clauses; and workstream 2.

Contact groups and informal consultations continued throughout the day under the COP, SBI and SBSTA.

ADP

CONTACT GROUP: In the morning, the ADP contact group discussed decision text on: a facilitative dialogue; request to the Intergovernmental Panel on Climate Change (IPCC) for a special report; decisions to give effect to the new agreement; and adoption of the agreement.

On a facilitative dialogue, several parties proposed a wider scope, beyond mitigation. The EU expressed flexibility on this, suggesting referring to the purpose of the agreement. CHINA and SAUDI ARABIA expressed concern that a facilitative dialogue could represent an *ex ante* review and opposed this. The EU and the US said a dialogue would inform the next round of INDCs.

On the request to the IPCC to provide a special report on the impact of a temperature increase of 1.5°C, SAUDI ARABIA and others questioned its added value beyond the IPCC assessment reports. TUVALU noted that newer information may be available that was not considered during the last assessment report cycle. INDIA and CHINA underscored the need for information on how to achieve temperature goals. Several parties requested, and ADP Co-Chair Daniel Reifsnyder agreed, to consult with the IPCC.

On decisions to give effect to the new agreement, ADP Co-Chair Reifsnyder presented, and parties agreed to, a proposal to create a new section of the decision for the paragraphs on all actors. With the clarification that parties “welcome,” rather than “invite,” all actors to scale up and demonstrate efforts, parties removed the brackets around these paragraphs.

On adoption of the agreement, ADP Co-Chair Ahmed Djoghlaif then presented a proposal to rename the ADP as the *Ad Hoc* Working Group on the Paris Outcome (APO), and that the APO: prepare for the entry into force of the agreement and

convene the first session of the CMA; oversee implementation of the work programme resulting from relevant requests in the decision; report to the COP; and hold its first session in 2016.

TUVALU, supported by SAUDI ARABIA, COLOMBIA and others, suggested adding a new paragraph, after clarifying that the ADP has finished its mandate, which decides to establish the APO. The US, CHINA, SAUDI ARABIA, IRAN and others, asked for more clarity on the working modalities, particularly chairing arrangements.

In the afternoon, the contact group discussed differentiation with all parties agreeing that the new agreement needs to reflect differentiation. Several parties observed the need to recognize the special circumstances of small island developing states (SIDS) and LDCs, with SAUDI ARABIA noting that this is already in the Convention.

Sudan, for the AFRICAN GROUP, proposed a formula for relevant sections: state the level of obligation or precision for developed and developing countries; provide flexibility for developing countries, such as “all countries willing to do so,” which Tuvalu, for the LDCs, supported; and provide further flexibility for African countries, LDCs and SIDS. CHINA and INDIA opposed phrases such as “willing to do so.”

Saying the world has not changed, Malaysia, for the LMDCs, underlined that historical responsibility lies with developed countries. He underscored that developed countries have yet to meet their Convention or Protocol obligations regarding mitigation and MOI, which the EU and AUSTRALIA disputed in their cases.

On mitigation, the EU, Colombia, for AILAC, the US and others said that the INDCs imply self-differentiation. The EU stated all countries should seek economy-wide targets but there should not be shared timelines. The US added that developing countries should be eligible for support in implementing their contributions, and that LDCs and others should have flexibility to submit at their discretion without expectation. JAPAN stated that only vulnerable countries should have “partly conditional” INDCs.

The AFRICAN GROUP and LMDCs underlined that developed country parties should have quantified economy-wide targets. SOUTH AFRICA said binding obligations to implement should “back up” developed countries’ commitment to take the lead.

On finance, the EU, NEW ZEALAND and the US stated developed countries should meet their obligations, and that others in a position to do so should contribute. AILAC envisioned CBDR and respective capabilities (CBDRRC) and



developed country parties and countries “willing to do so” providing support. The LMDCs underlined that finance should be from developed to developing countries.

On transparency, the LDCs opposed a one-size-fits-all approach to reporting. The EU, AILAC, the US and others supported a common framework, with flexibility regarding the timing and detail in the reporting, and with support to developing countries.

In the evening, Co-Chair Reifsnnyder proposed, on the mode of work, concluding the work of the spin-off groups and producing a new Co-Chairs’ compilation text that both brings together progress made and provides bridging proposals developed in consultations with spin-off group co-facilitators, to be considered by the contact group on Friday, 4 December. This was supported by the EU, NORWAY and TURKEY.

BOLIVIA expressed “profound disappointment” over parties inserting “no text” options on issues that are of great interest to developing countries in the adaptation spin-off group. The LMDCs urged consideration of issues important to developing countries in good faith.

TUVALU expressed worry that there had not yet been substantive discussions on loss and damage.

The EU emphasized that his commitment to mobilize climate finance would continue after 2020 and the US\$100 billion commitment could be scaled up with an expansion of the donor base.

After consultations, the G-77/CHINA proposed that: the Co-Chairs produce an updated, clean and streamlined text; clear options and bridging proposals be kept in a separate document; spin-off groups be used when necessary; and the contact group agree on the text for consideration by the COP.

ADP Co-Chair Reifsnnyder responded that the G-77/CHINA proposal was in line with what he had proposed and parties agreed to the mode of work. He adjourned the session noting that the Co-Chairs would be meeting with the co-facilitators overnight.

SPIN-OFF GROUPS: Mitigation (Article 3, 3bis and 3ter): In the morning, a spin-off group co-facilitated by Franz Perrez (Switzerland) convened to review the compilation text, and new agreement and decision text proposals prepared by the co-facilitator and two party facilitators that sought to capture existing options on: accounting, and methods and guidance; and cooperative approaches and a mechanism to support sustainable development. He requested parties examine whether the texts reflected parties’ views, stressing they were intended only to provide a better starting point for discussions.

On the compilation text, parties briefly discussed the treatment of support in the agreement article and agreed to an amended footnote that states that “this is a placeholder until decided where support should be dealt with.”

On the text proposals on accounting, and methods and guidance, parties, *inter alia*, bracketed references to land use, to enable more parties to engage on related options.

On the text proposals on cooperative approaches and mechanisms, parties made minor amendments. In response to several parties’ requests to add references to INDCs alongside those to nationally determined mitigation contributions/nationally determined mitigation commitments or contributions, Co-Facilitator Perrez clarified that existing references were placeholders, and there was a “clear understanding” that this cross-cutting issue would be solved “in the end.” Parties agreed to add the references and refer the issue to the ADP Co-Chairs.

Parties also agreed to forward the new text proposals, as amended, to the contact group as a starting point for discussions.

Finance (Article 6): In the morning, Co-Facilitator Georg Børsting (Norway) proposed to undertake a read-through of the text to identify areas of convergence.

On institutional arrangements, bridging proposals that parties had worked on during informals were introduced. Parties discussed, *inter alia*: the necessity of listing existing funds in the text; relevance of existing guidance from the COP to the operating entities; and the ability of the CMA to recommend decisions to the COP.

Several parties recommended keeping the language simple and succinct. A few parties suggested returning to this section at a later stage. Co-Facilitator Børsting requested Gabriela Blatter (Switzerland) and Rafael da Soler (Brazil) to further refine the bridging proposals.

Parties then exchanged views on the special treatment and access modalities for LDCs and African countries, and the status of paragraphs on enabling environments, results-based payments, carbon pricing and variety of sources, among others.

In the afternoon, new textual proposals, emphasizing climate finance as specifically defined in the new agreement, developing country parties’ needs, and food security, among others, prompted many parties to express concerns about little progress. One group suggested “moving on to the next stage at the political level.”

Ensuing discussions focused on, *inter alia*, the need to simplify procedures for accessing financial resources; and whether certain provisions on MRV of support could be better placed within the transparency section of the agreement.

Parties agreed on language stating that the provision of financial resources should or shall aim to achieve a balance between adaptation and mitigation, taking into account country-driven strategies, and the priorities and needs of developing country parties.

Preamble, and Purpose/General (Article 2 and 2bis): Co-Facilitator Diann Black-Layne (Antigua and Barbuda) presented an update from informal work on general (Article 2bis), reflecting work advanced after the Thursday, 3 December compilation of the text. Parties made minor revisions to the text. Co-Facilitator George Wamukoya (Kenya) presented an updated version of purpose (Article 2) based on informal work.

One party, opposed by another, suggested replacing “transformation” with “tractable shift” in a paragraph referencing sustainable development.

On a paragraph on principles, many parties called for references to human rights and gender equality.

Parties then considered all preambular paragraphs in order, using a version of the text developed during informal work. With many saying that terms or concepts fall outside the Convention, parties remained divided on paragraphs regarding, *inter alia*: vulnerability; historical emissions; human rights; food security; land use; forestry; sinks and reservoirs; and carbon pricing.

The co-facilitators explained that they, with the Secretariat, would attempt to capture all the bracketing and textual suggestions made, and use them to guide their consultations with parties. Work continued in an informal informal in the afternoon.

Transparency (Article 9): In the afternoon spin-off group facilitated by Fook Seng Kwok (Singapore), discussions focused on revised text on agreement paragraphs related to the purpose of transparency systems for action and support, and provision of information, and on decision text paragraphs related to transparency. On Co-Facilitator Kwok’s invitation, parties shared their concerns and provided specific proposals and amendments.

On the paragraphs on provision of information, some countries expressed hesitance to language on, *inter alia*, frequency, pointing to a lack of textual assurances of support to improving national capabilities. Others expressed willingness to explore text that would provide such assurances.

On the decision paragraphs, parties discussed, *inter alia*, the level of detail required in providing guidance for development of modalities and procedures for transparency.

Parties agreed that Co-Facilitator Kwok develop a bridging proposal for Friday, 4 December, on all text related to transparency, based on text developed by the group jointly, and on parties' oral and textual inputs submitted to the co-facilitator by 7:00pm on Thursday, 3 December.

Workstream 2: In the afternoon, Co-Facilitator Aya Yoshida (Japan) reported that the evening spin-off group was able to remove many brackets and insert bridging text. Turning to the mitigation section, parties removed some brackets and introduced compromise language on paragraphs related to the TEP, TEMs, summary for policymakers and "co-champions."

A party reported some progress in informal discussions about adaptation, but said there is no consensus on the content, institutional location and timing of a proposed adaptation TEP. One group of parties opposed housing it under an existing institution.

On support, parties introduced language recalling decision 1/CP.19 (Further Advancing the Durban Platform), paragraphs 3 and 4(e).

Parties then turned briefly to the preamble of the workstream 2 draft decision. After disagreement on whether a party could insert, in brackets, two new preambular paragraphs referencing the Montreal Protocol's work on HFCs and transport emissions, Co-Facilitator Yoshida said she would consult with the ADP Co-Chairs on remaining contentious issues.

Global Stocktake (Article 10): In the afternoon, Co-Facilitator Roberto Dondisch (Mexico) presented proposed agreement and decision text. A number of parties felt the proposal reflected substantial progress.

One party suggested deleting a decision paragraph requesting the SBSTA to provide advice on how the IPCC assessment reports could inform the stocktaking. Another requested adding CBDRRC, which was then bracketed.

One party requested bracketing text on MOI, the "outcome" of the stocktake and purpose, in the agreement text. One group of parties requested adding a paragraph in the agreement stating that developing country parties' participation depends on provision of financial resources.

After extensive debate on which version of the text to forward to the contact group, parties agreed that the co-facilitator and Secretariat would capture the discussions in a revised version of the proposal to be presented to the contact group in brackets.

Technology Development and Transfer (Article 7): The afternoon spin-off group considered a bridging proposal prepared by Co-Facilitator Tosi Mpanu-Mpanu (Democratic Republic of the Congo) on institutional arrangements for both the agreement and decision portions of the text. Parties were supportive of the bridging proposal in general with minor edits.

Views diverged on whether to include language requesting the TEC and CTCN to support implementation of the Paris agreement by strengthening work on technology research, development and demonstration. The bridging proposal will replace the existing paragraph on this issue in the compilation text.

COP 21

CONTACT GROUPS: Climate Finance Items: In the morning, Co-Chair Andrés Mogro (Ecuador) and Mark Storey (Sweden) introduced the items on long-term finance and the report of the SCF. The EU noted this is "the right place to discuss pre-2020 finance." Bolivia, for the G-77/CHINA, requested a workshop on finance needs of developing countries,

in particular for adaptation, in 2016. Malawi, for the LDCs, emphasized, *inter alia*, improving procedures to facilitate access to finance.

On the report of the SCF, the G-77/CHINA emphasized, *inter alia*, financing for forests, transaction costs of climate finance and MRV of finance.

On the GCF and GEF reports, Co-Chairs Ayman Shasly (Saudi Arabia) and Stefan Schwager (Switzerland) introduced these items. The G-77/CHINA queried whether discussions on complementarity had begun between the GCF and GEF with regards to financing of biennial update reports.

The EU, with South Africa, for the AFRICAN GROUP, proposed working on the basis of the draft decisions contained in the SCF report. Palau, for AOSIS, suggested focusing on streamlining application processes. Parties will submit their proposals in advance of the next session.

SUBSIDIARY BODIES

CONTACT GROUPS: Forum and Work Programme on Response Measures (SBI/SBSTA): The group agreed to forward to the COP the draft decision and draft conclusions prepared, on the basis of parties' input, by the co-facilitators with help of the Secretariat. SBI Chair Amena Yauvoli (Fiji) and SBSTA Chair Lidia Wojtal (Poland) thanked parties and co-facilitators Delano Verwey (the Netherlands) and Eduardo Calvo (Peru).

2013-2015 Review (SBI/SBSTA): Co-Chair Gertraud Wollansky (Austria) opened the session. In the draft text, the PHILIPPINES, supported by BANGLADESH, introduced language reflecting the human rights consequences of a global average temperature increase of 2°C. Co-Chair Wollansky then presented a "tool" prepared by the Co-Chairs with four options on outcomes for this item.

Many parties preferred option 3, which contains procedural and substantive conclusions. Saudi Arabia, for the ARAB GROUP, preferring only procedural conclusions, opposed. As views remained divergent, this item will be forwarded for consideration by the COP.

IN THE CORRIDORS

As spin-off group co-facilitators walked into the evening ADP contact group on Thursday, their faces betrayed the last-minute push many had given to close on as much text as possible before the 6:00pm deadline. One delegate noted that progress had been highly uneven, with some success in capturing low-hanging, non-controversial text in some groups.

Earlier in the day, a negotiator emerging from the finance spin-off group worried that the text had actually regressed, saying the options were less clear than they were just a day before, and wondering how ministers would negotiate on such a basis. One particularly disheartened delegate likened moving the negotiations to the next stage as "a matter of survival."

According to some, placement of cross-cutting issues "continued to bedevil the negotiators." Many issues in mitigation, finance and transparency were flagged as belonging to multiple sections, with views differing on where. Meanwhile, the ADP engaged in retracing their positions on differentiation, albeit with a new fervor, which led one observer to wonder if the exchange wasted valuable hours.

As focus started to shift to the new consolidated draft that the Co-Chairs would release in the morning of Friday, 4 December, many looked forward to a good night of sleep ahead of what promised to be a very full day of negotiations.

