

MARRAKECH HIGHLIGHTS: FRIDAY, 11 NOVEMBER 2016

On Friday, 11 November, the UN Climate Change Conference continued in Marrakech, Morocco. Contact groups and informal consultations took place throughout the day under the SBI, SBSTA and APA. The first part of the SBI closing plenary convened in the afternoon.

The facilitative dialogue on enhancing ambition and support took place under the COP in the afternoon.

COP

FACILITATIVE DIALOGUE ON ENHANCING AMBITION AND SUPPORT: Aziz Mekouar, COP Presidency, said the session's purpose is an assessment of progress made regarding the enhancement of pre-2020 ambition and MOI provision.

On pre-2020 ambition, Katia Simeonova, UNFCCC Secretariat, reported that the Cancun Agreement's pledges and NDCs are insufficient to achieve the Paris Agreement's temperature goals, and stated developed countries' biennial reports show a downward emissions trend. Asad Rehman, Friends of the Earth England, Wales, and Northern Ireland, underscored that, by 2030, the carbon budget will be exceeded and ambition needs to increase five-fold to meet the two-degree goal.

On quantified economy-wide targets by developed country parties, speakers from the EU, Switzerland, the US and Australia reported on progress toward their targets. All underlined the role of renewable energy and energy efficiency. The EU and Switzerland highlighted taxation measures and, with Australia, emissions trading. Participants queried the status of Doha Amendment ratifications and the future of the climate regime given the recent US election.

On NAMAs, Ash Sharma, NAMA Facility, highlighted 14 projects financed to date, while Colombia, Indonesia and Kenya highlighted their development of NAMAs, stressing projects such as circular solid waste management for urban areas, rapid transit and energy efficiency. Participants discussed gender, funding and implementation barriers.

On MOI, SBSTA Chair Fuller highlighted: bilateral, regional, domestic and other finance channels; evolution of UNFCCC technology institutions; and capacity-building support. Peter Sweatman, International Chamber of Commerce, stressed engagement with the private sector in adaptation and policy transparency to attract long-term investment.

On finance, Preety Bhandari, Asian Development Bank, highlighted multilateral development banks' 2015 portfolio of 20% for adaptation and 80% for mitigation, while the speakers from Belize and the UK stressed the need for balance between

adaptation and mitigation finance. Tosi Mpanu-Mpanu, LDC Chair, stressed addressing methodologies to account for climate finance to increase transparency and confidence.

On technology development and transfer, Chizuru Aokii, GEF, and Jukka Uosukainen, CTCN, reported on 45 mitigation and 22 adaptation projects, and on assistance to 67 countries, respectively. Speakers from Senegal and Colombia underlined the need to include technology needs assessments in NDCs.

The facilitative dialogue will reconvene on Wednesday, 16 November.

SBI CONTACT GROUPS AND INFORMAL CONSULTATIONS

MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN PARIS AGREEMENT ARTICLE 4.12: Parties considered draft conclusions in informal consultations. On the Secretariat's efforts to improve the interim registry, parties debated a suggestion for the Secretariat to maintain and improve the registry "on the basis of suggestions received from its users," ultimately preferring to state "as appropriate" instead.

On a paragraph reflecting the parties' work at SBI 45, one group of developing countries opposed referencing a public registry "for NDCs," and, barring deleting "NDCs," preferred "NDCs referred to in Article 3 of the Paris Agreement," rather than Article 4 (mitigation). Parties also discussed how to reflect the linkages with other SBI and APA work, with some developed countries opposing additions on ensuring coherence and avoiding duplication. Unable to agree on the changes, parties reverted to the text from SBI 44 conclusions for that paragraph.

Some developing and developed countries supported adding a request for party submissions, opposed by several developing countries. As a compromise, which was accepted, one developed country noted there is an open call for submissions under the APA that could be used to submit views on this item.

The draft conclusions were forwarded to the SBI.

MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN PARIS AGREEMENT ARTICLE 7.12: In informal consultations, parties agreed to consider this matter at SBI 46. The draft conclusions were forwarded to the SBI.

TOR FOR THE REVIEW OF THE FUNCTIONS OF THE SCF: In informal consultations, parties exchanged views on the chair's draft decision text, prepared on the basis of party submissions received the previous day. Parties provided their views on the annex to the draft decision, containing the ToR for the review.

In the afternoon consultations, parties shared views on a new version of the draft decision, specifically the ToR and its section on the objective of the review. Parties were unable to agree on the text, and Co-Facilitator Delphine Eyraud (France) explained she would submit the text, including remaining brackets, to the SBI Chair.

MATTERS RELATING TO THE KYOTO PROTOCOL MECHANISMS: Review of the Modalities and Procedures for the CDM: During informal consultations, Co-Facilitator Karoliina Anttonen (Finland) introduced bracketed draft text on programmes of activities and roles of designated national authorities to supplement the CDM modalities and procedures.

Delegates could not agree on the text. Parties then engaged in lengthy discussions on postponing this agenda item and subsequently exchanged their divergent views on the co-facilitators' proposed procedural SBI conclusions. No consensus was reached.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Budget Performance for the Biennium 2016-2017: The contact group, chaired by Kunihiko Shimada (Japan), considered a draft COP decision text. Parties could not reach agreement on paragraphs, *inter alia*: calling upon parties to make their contributions for 2017 in a timely manner; requesting the Secretariat to follow up with countries with outstanding contributions on why payment has not been made; expressing appreciation for contributions to the Trust Fund for Supplementary Activities; and requesting the Secretariat explore ways to increase the flexible use and prioritization of funds in this Trust Fund.

Chair Shimada will consult with the SBI Chair on the way forward.

SBI PLENARY

SBI Chair Tomasz Chruszczow opened the plenary. The RUSSIAN FEDERATION, NICARAGUA and SAUDI ARABIA expressed their regret that not all conclusions had been translated into all UN languages, but agreed to consider the items upon assurance it would not set a precedent.

REPORTING FROM AND REVIEW OF ANNEX I PARTIES: Compilation and Synthesis of Second Biennial Reports from Annex I Parties: The SBI adopted draft conclusions (FCCC/SBI/2016/L.26). SBI Chair Chruszczow stated he would report to the COP that the SBI could not conclude its work as requested.

REPORTING FROM NON-ANNEX I PARTIES: Work of the CGE: The SBI adopted conclusions (FCCC/SBI/2016/L.28), and recommended a draft decision (FCCC/SBI/2016/L.28/Add.1) and draft conclusions (FCCC/SBI/2016/L.28/Add.2) to the COP.

Provision of Financial and Technical Support: The SBI adopted conclusions (FCCC/SBI/2016/L.33).

DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN PARIS AGREEMENT ARTICLE 4.12: The SBI adopted conclusions (FCCC/SBI/2016/L.35).

DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN PARIS AGREEMENT ARTICLE 7.12: The SBI adopted conclusions (FCCC/SBI/2016/L.36). SAUDI ARABIA recalled that the co-facilitators were asked to report to the SBI Chair that, due to linkages between this agenda item and the item on a public registry referred to in Paris Agreement Article 4.12, some parties had requested that the two items be merged. SBI Chair Chruszczow noted the concern and said it would be taken into account in the preparation of the provisional agenda for the next session.

MATTERS RELATING TO THE MECHANISMS UNDER THE KYOTO PROTOCOL: Procedures, Mechanisms and Institutional Arrangements for Appeals against Decisions of the CDM Executive Board: The SBI adopted conclusions (FCCC/SBI/2016/L.30).

MATTERS RELATING TO THE LDCs: The SBI adopted conclusions (FCCC/SBI/2016/L.31).

NATIONAL ADAPTATION PLANS: The SBI adopted conclusions (FCCC/SBI/2016/L.32) and recommended a draft decision (FCCC/SBI/2016/L.32/Add.1) to the COP.

REPORT OF THE ADAPTATION COMMITTEE: The SBI recommended a draft decision (FCCC/SBI/2016/L.4) to the COP.

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES: Scope and Modalities for the Periodic Assessment of the Technology Mechanism in Relation to Supporting the Implementation of the Paris Agreement: The SBI adopted conclusions (FCCC/SBI/2016/L.27).

Poznan Strategic Programme on Technology Transfer: The SBI adopted conclusions (FCCC/SBI/2016/L.29).

CAPACITY-BUILDING IN DEVELOPING COUNTRIES: PCCB: The SBI adopted conclusions (FCCC/SBI/2016/L.34). SBI Chair Chruszczow noted all that remains for the PCCB to be fully operational is the nominations and elections of the members of the Committee to be completed in Marrakech. He urged parties to nominate members, noting only two nominations had been received.

SBI Chair Chruszczow suspended the meeting at 5:48pm. The closing plenary will resume on Monday, 14 November.

SBSTA CONTACT GROUPS AND INFORMAL CONSULTATIONS

AGRICULTURE: In informal consultations, Co-Facilitator Heikki Granholm (Finland) invited a report-back from informal consultations held the previous evening. One country reported discussions had been fruitful and had focused on finding commonalities in the operative text of the merged EU and G-77/CHINA proposals. She noted this document was a "work in progress."

Co-Facilitator Granholm noted that the co-facilitators had prepared draft procedural conclusions. Many parties supported continuing informal discussions to develop a more substantive COP decision. Deliberations continued throughout the day.

The informal consultations reconvened in the afternoon. Reporting back on the outcomes of deliberations, a developing country highlighted that differences in opinion continued. One group said the document under discussion should be transmitted to SBSTA 46 as a non-paper, with only parties mandated to give input. Another party stated the document should have no status. Parties eventually agreed to forward only draft procedural conclusions to the SBSTA, with several groups and parties intervening to express their disappointment at the lack of a substantive COP decision on this item.

DEVELOPMENT AND TRANSFER OF TECHNOLOGY: Technology Framework under Paris Agreement Article 10.4: In the informal consultations, parties discussed draft conclusions, focusing on the following paragraphs: the purpose of the technology framework; the initial key themes for the technology framework, namely innovation, implementation, enabling environments and capacity building, collaboration and stakeholder engagement, and support; an invitation for submissions from parties, observers and other stakeholders; and agreement to continue the elaboration of the technology framework at SBSTA 46.

Parties agreed to all paragraphs and a reflection note by the co-chairs.

MODALITIES FOR THE ACCOUNTING OF FINANCIAL RESOURCES PROVIDED AND MOBILIZED THROUGH PUBLIC INTERVENTIONS IN ACCORDANCE WITH PARIS AGREEMENT ARTICLE 9.7:

During informal consultations, parties commented on the draft conclusions and decision proposed by the co-chairs. Belize, for AOSIS, supported by COSTA RICA, MALAWI and the PHILIPPINES, proposed amendments, including, *inter alia*, encouraging UN specialized funds and agencies to support the development of modalities with wide participation by, and through technical meetings, among experts; and ensuring that the modalities are developed in time to be integrated into the transparency framework. Parties consulted informally in the afternoon.

MATTERS RELATED TO SCIENCE: Research and Systematic Observation: During informal consultations, parties discussed, *inter alia*, the possibility of holding future Earth Information Days and the timing of such events, with all parties underscoring the need for party input to the event's agenda. They agreed to invite parties to consider inviting the Secretariat to organize similar events at SBSTA 49 based on parties' submissions. Informal consultations will continue.

NWP: During informal consultations on draft conclusions, two groups of developing countries requested adding text on economic diversification, with one supporting workshops on the issue. Another party suggested inviting the Secretariat to prepare a synthesis paper on health, with a view toward making recommendations to COP 23. Another suggested removing a paragraph on inviting the Secretariat to develop modalities, noting parties have previously taken responsibility for developing and refining modalities. Informal consultations then convened.

SBSTA/SBI JOINT CONTACT GROUPS AND INFORMAL CONSULTATIONS

JOINT ANNUAL REPORT OF THE TEC AND CTCN: Discussions in informal consultations focused on the outcomes of informal informals, *inter alia*, the important role of South-South cooperation and triangular cooperation for adaptation, and near-term and sustainable funding.

One party presented new consensus text regarding ongoing consultations between the CTCN and the GCF and GEF. On the important role of South-South cooperation and triangular cooperation for adaptation, parties agreed to delete the paragraph.

On near-term and sustainable funding, parties agreed to text that captures "sustainable funding," deleting the term "near-term" funding, and indicating that further "financial support" should be provided.

The draft conclusions will be forwarded to the SBI and SBSTA plenaries.

IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES: This informal consultation convened in the morning.

On the modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures, the group agreed to forward to the SBI/SBSTA contact group the draft conclusions prepared on the basis of parties' input.

On the improved forum and work programme, the group discussed whether to: identify the international organizations that will nominate two experts to the *ad hoc* technical expert group; refer to analysis and assessment of the impact of response measures; and address the socio-economic impact of response measures. Informal consultations continued.

WIM: Informal consultations discussed a draft decision on the ExCom report. One developing country group, strongly opposed by another, suggested removing "particularly" in reference to vulnerable countries.

Parties' views diverged on encouraging submissions on possible activities under each strategic workstream of the indicative framework for the five-year workplan. One developed country suggested removing the paragraph while two developing country groups proposed including views on support from developed to developing countries in the submissions. Informal consultations convened on this paragraph.

APA INFORMAL CONSULTATIONS

MODALITIES AND PROCEDURES FOR THE EFFECTIVE OPERATION OF THE COMMITTEE TO FACILITATE IMPLEMENTATION AND PROMOTE COMPLIANCE: Informal consultations centered on the way forward.

Some suggested factual reports or synthesis reports by co-facilitators and technical papers and workshops at this stage. Iran, for the LMDCs, said workshops and intersessional work are premature. Parties agreed to country submissions responding to co-facilitators' questions.

Reacting to an informal note prepared by the co-facilitators, most countries approved its structure and content. Mali, for the AFRICAN GROUP, noted that national capabilities and differentiation in developing procedures and modalities should also be reflected.

On whether the committee should have one or two functions, the EU stressed the committee should be a single body with a facilitative function that helps achieve compliance.

Other issues raised included decision making, options on modalities and procedures, and timelines.

GLOBAL STOCKTAKE: During informal consultations, parties commented on the way forward and the Secretariat's non-paper capturing parties' initial ideas on sources, modalities and outputs of the stocktake.

On the non-paper, several parties called for starting work on the stocktake with overarching principles and maintaining trust by avoiding inclusion of any items outside of the Paris Agreement. Others agreed, stressing inclusion of all elements in the Paris Agreement, including loss and damage.

On sources, many called for distinguishing between sources, such as the IPCC, and information. Several stressed the importance of information on mobilization of support.

On modalities, many called for a clear set of elements to be clustered into sections on timing, phases, institutions, structure and linkages. On outputs, one group suggested a reference to Paris Agreement Article 2 (objective) and many stressed considering how outputs will lead to enhanced actions.

On the way forward, BRAZIL suggested the need for an APA agenda item on common timeframes. Many said further submissions guided by more targeted questions would be useful. Additional proposals made included requesting a Secretariat's synthesis report and technical paper, and holding an in-session technical workshop. Discussions will continue.

MODALITIES, PROCEDURES AND GUIDELINES FOR THE TRANSPARENCY FRAMEWORK FOR ACTION AND SUPPORT:

Co-Facilitator Andrew Rakestraw (US) reported on informal informal consultations, highlighting, *inter alia*, general support for: addressing all elements of Paris Agreement Article 13 as well as Decision 1/CP.21 on the enhanced transparency framework; not prejudicing the final outcomes on MPGs; and progressing work through submissions, technical papers and workshops. He noted a lack of convergence on the elements of the MPGs.

Co-Facilitator Xiang Gao (China) invited parties' views on whether a technical paper should be developed before the first APA session and workshop in 2017, and on the topics of submissions and workshops.

Several parties, including CHINA and BRAZIL supported inviting parties to submit their views on all elements of the MPGs. Others, including the EU and Peru, for AILAC, supported

focusing on reporting. SAUDI ARABIA and BRAZIL suggested the topics of workshops would emerge from the submissions. BHUTAN, supported by the US and CANADA, expressed support for a synthesis report for the workshops, while SAUDI ARABIA considered this premature.

Co-Facilitator Gao indicated that the workplan would be reflected in the APA co-chairs' conclusions and that informal consultations on other matters under this item would continue.

FURTHER MATTERS RELATED TO

IMPLEMENTATION OF THE PARIS AGREEMENT: In the informal consultations, parties agreed to refer to the APA contact group a draft COP decision text addressing legal aspects relating to CMA rules of procedure, on credentials, bureaux members and admission of observers.

APA Co-Chair Baashan then invited parties to identify matters concerning the implementation of the Paris Agreement that had not yet been addressed, indicating a number of issues parties had mentioned previously. She underscored that it is the task of the APA to bring certain matters to the COP's attention but not assume responsibility over them.

After discussion, APA Co-Chair Baashan proposed, and parties agreed, that the co-chairs work on the categories necessary for capturing, possibly in a "living document," what different parties consider "homeless issues," that may include: progress; timing; and possible bodies to take the issues forward. She noted that specific recommendations to the COP regarding individual issues would only be made if parties agreed on these.

Parties also called for clarity on how the discussions under this APA agenda item relate to parallel consultations under the COP Presidency, and inquired about the continuation of discussions in the second week. Co-Chair Baashan clarified that substantive discussions would not occur under the APA, which serves as a mechanism to ensure coordination. In addition, she explained that the APA closing plenary is planned for Monday, 14 November, after which parties are free to continue discussions among themselves.

FURTHER GUIDANCE IN RELATION TO THE MITIGATION SECTION OF DECISION 1/CP.21: In the informal consultations focusing on guidance on information to facilitate the clarity, transparency and understanding of NDCs, parties exchanged views on: the starting point for preparing further guidance; the elements this guidance should include; and proposals for further work.

Parties expressed diverging views on, *inter alia*, the need to develop further guidance, and whether information indicated in Decision 1/CP.21 paragraph 27 (information to be provided by countries communicating their NDCs) is mandatory.

A number of parties supported distinguishing between general guidance, common for all parties, including, *inter alia*, quantifiable information, and specific guidance, arising from different types of NDCs. China, for the LMDCs, called for a higher level of detail in information provided by developed countries. Saint Lucia, for CARICOM, proposed, *inter alia*, identifying information needed for determining the aggregate effect of NDCs.

On further work, many parties suggested inviting submissions, with some proposing using guiding questions. NEW ZEALAND proposed questions on: the purpose of the guidance; linkages between relevant Decision 1/CP.21 paragraphs; how to build on submitted INDCs and NDCs, and guidance from Lima and Paris; and ways to structure and progress work.

Many parties supported mandating technical workshops or papers, opposed by others, including Saudi Arabia, for the ARAB GROUP, who noted technical work would be premature.

FURTHER GUIDANCE IN RELATION TO THE ADAPTATION COMMUNICATION, INCLUDING, INTER ALIA, AS A COMPONENT OF NDCs: Delegates

continued to discuss the table summarizing parties' views on the purpose, features, linkages, vehicles and flexibility of adaptation communications.

Co-Facilitator Richard Muyungi (Tanzania) requested parties to provide suggestions for further intersessional work on this item and share any questions on key issues contained in the table.

Argentina, for the G-77/CHINA, proposed a number of changes and insertions to the table, noting these were based on language agreed under the Paris Agreement. MEXICO suggested regional adaptation communications and reports could be a possibility. Co-Facilitator Muyungi indicated the interventions would be reflected in a revised table.

The US said that inputs contained in the "purpose" section of the table were not mutually exclusive and could apply to different parties according to their circumstances.

Parties agreed the table should not serve as a negotiating text but would be attached to the report to the APA co-chairs and could serve intersessional work. Discussions will continue.

AGENDA ITEMS 3-8: APA Co-Chair Jo Tyndall presented a draft of the APA general conclusions, including on the organization of work proposed by the APA co-chairs, as well as draft conclusions recommending decision text on the CMA rules of procedure.

Parties made initial comments, including seeking clarity on: the placeholder paragraphs with respect to each agenda item; how proposals on further work under each item would be integrated into the proposed work; and the co-chairs' proposed informal reflection note.

Maldives, for AOSIS, suggested noting that the APA will require additional time for work in 2017. SWITZERLAND and the US expressed their preference for suspending rather than closing the APA session.

The APA co-chairs will provide a revised draft of the APA general conclusions reflecting the co-facilitators' reports on each agenda item for parties' further reflection.

IN THE CORRIDORS

Delegates hustled around Bab Ighli's meeting rooms on Friday morning, trying to complete draft conclusions and decisions before the deadlines set by the SB chairs. Some informal consultations concluded work, but for others, informal informals proliferated to pluck the thorns out of difficult paragraphs. Even larger delegations faced scheduling conflicts, and quickly shifting from negotiation to negotiation proved difficult. One small group took their co-facilitator's advice to "stay in this room until you're kicked out."

In the afternoon, while many SB groups continued textual work, other delegates paused to consider the bigger picture of climate action. The facilitative dialogue for enhanced action and support was expected to be a rather staid event, but proved anything but. Responding to a delegate asking "how do you see the Paris Agreement without, possibly, you," the US delegate's articulate and sincere response drew applause and gave some observers comfort of perhaps a "slightly less uncertain future."

Indeed, some saw more hope in the long-term, rather than the immediate future, with some parties expressing disappointment with the APA co-chairs' announcement that there would only be an option for "informal chats over coffee" on the APA after its closing plenary on Monday. Others wondered what the COP Presidency had planned for the ministers during the second week, hoping focus would stay on the important work remaining under the COP and CMP and the newly-inaugurated CMA, and other elements that could distract delegates would not be introduced.

Nearing the COP 22 halfway point, an optimistic delegate recalling the US delegate's words hoped countries will "come over a hilltop and the momentum will carry us forward to great success."