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MARRAKECH HIGHLIGHTS: SATURDAY, 12 NOVEMBER 2016

On Saturday, 12 November, the UN Climate Change Conference continued in Marrakech, Morocco. In the morning, an informal stocktaking plenary was convened by the COP President. Contact groups and informal consultations under the COP, CMP, SBI, SBSTA and APA met throughout the day.

The second round of the multilateral assessment process under the international assessment and review process commenced under the SBI and COP. A webcast of the event is available at: <http://unfccc.cloud.streamworld.de/webcast/first-working-group-session-of-the-multilateral--2>.

INFORMAL STOCKTAKING PLENARY BY THE COP PRESIDENT

COP 22/CMP 12 President Salaheddine Mezouar opened the informal plenary, saying work under the COP and CMP is “getting started,” and noting he expects results by Wednesday, 16 November. He also informed he had appointed members of his delegation to undertake consultations on several items, including: the adoption of the CMA rules of procedure; vulnerability of Africa; and a platform for local communities and indigenous peoples. On the open-ended informal consultations on CMA 1, including under the COP, President Mezouar stated consultations are “going well.”

SBSTA Chair Carlos Fuller (Belize) reported that work on almost all items has been concluded. He said work is still ongoing on items including the review of the WIM and matters relating to Paris Agreement Article 6 (cooperative approaches).

SBI Chair Tomasz Chruszczyk (Poland) reported agreement under each of this session’s objectives: demonstrating the Cancun MRV system is fully operational, including through the first FSV; advancing work on the Paris Agreement’s implementation, including with the PCCB operationalization; and advancing on implementation of the Convention and Kyoto Protocol issues. He noted ongoing negotiations on, *inter alia*, the ToR for the review of the SCF functions.

APA Co-Chair Jo Tyndall (New Zealand) reported good progress, noting: consultations have met four to six times on each item; initial versions of co-facilitators’ notes have been made available; and work will continue on Monday, 14 November, with an eye on finishing work on Monday afternoon.

Global Climate Action Champion Hakima El Haité (Morocco) reported on successful thematic events under the Global Climate Action Agenda and on consultations with parties on guidance for the technical examination process.

President Mezouar then outlined plans for the second week, including the launching of CMA 1, the high-level segment and a number of high-level events.

Switzerland, for the EIG, supported by AUSTRALIA, the EU, Costa Rica, for AILAC, the DEMOCRATIC REPUBLIC OF THE CONGO, MONGOLIA, ARGENTINA and CANADA, and opposed by Bolivia, for the LMDCs, and Maldives, for AOSIS, called for continuing work on the “rulebook” of the Paris Agreement in the second week. President Mezouar said he would take up this issue in the next Bureau meeting, scheduled for the afternoon.

President Mezouar also launched an appeal to all parties to support the “Marrakech Call for Action,” describing it as “a call based on the values we are all committed to.” AILAC and the DEMOCRATIC REPUBLIC OF THE CONGO expressed their support for a call.

COP CONTACT GROUPS AND INFORMAL CONSULTATIONS

DECISION-MAKING IN THE UNFCCC PROCESS:

Azoulay Lahcen (Morocco) facilitated informal consultations. Citing the importance of upholding the draft rules of procedure for the legitimacy of the process, three parties called for a draft decision, which one group opposed, saying that the dialogue was useful and should not be codified. On the way forward, one observed the “exceptional workload” of the SBs in May 2017 and suggested continuing the discussion at COP 23. Parties agreed.

MATTERS RELATED TO FINANCE: Initiation of a Process to Identify the Information to Be Provided by Parties in Accordance with Paris Agreement Article 9.5:

During informal consultations, parties commented on a list produced by the contact group co-chairs, capturing views, including on mechanisms and parameters.

Parties diverged on identifying the SCF as a “home” for this issue once the agenda item is closed. While some parties called for focusing on process rather than information, others emphasized the need to provide more clarity on *ex ante* information.

Several parties preferred not to discuss the timelines and frequency of financial information to be communicated, suggesting the Paris Agreement is clear on “biennial communications.” Others noted the text lacks information on how timeframes will be used in submissions. The co-chairs will revise the non-paper based on bilateral consultations with parties.

Long-Term Climate Finance: During informal consultations, parties presented written submissions on a possible decision text by: the Philippines, for the G-77/CHINA; the EU; and CANADA, on behalf of Australia, Japan, New Zealand, Norway and the US.

In response, parties noted several similarities in the submissions, *inter alia*, the usefulness of an in-session workshop and welcoming the SCF's second biennial assessment.

Parties' views differed on whether to emphasize progress made or to highlight the adaptation finance gap, as well as on how to work on scaling up finance support. Parties will engage informally and the co-chairs will draft a structured text based on parties' submissions and views for further consideration.

Report of the GEF to the COP and Guidance to the GEF: During informal consultations, parties commented on draft decision text based on the compilation of parties' submissions.

Parties welcomed the text but differed on a reference to "welcoming the SCF 2016 Biennial Assessment as context for the provision of guidance." Discussions will continue.

Report of the GCF to the COP and Guidance to the GCF:

During informal consultations, parties briefly commented on the draft decision text and decided it required "further simplification." The co-chairs, with assistance of the Secretariat, will prepare streamlined text.

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES: Linkages between the Technology Mechanism and Financial Mechanism of the Convention:

El Hadji Mbaye Diagne (Senegal) and Elfriede More (Austria) co-facilitated the informal consultations. Many parties appreciated progress, including: an SBI 44 in-session workshop; GCF, GEF and TEC presence at one another's meetings; and annual meetings convened by the GCF to enhance cooperation with UNFCCC bodies.

Parties suggested areas for enhanced cooperation, including relaying progress in annual reports and creating a coordination mechanism. Consultations will continue.

CMP CONTACT GROUPS AND INFORMAL CONSULTATIONS

MATTERS RELATED TO JI: In the contact group, Co-Chairs Dimitar Nikov (France) and Arthur Rolle (Bahamas) invited parties' input on a draft recommendation on the annual report of the JISC (FCCC/KP/CMP/2016/5) and guidance relating to JI.

The EU, SWITZERLAND, CHINA and NEW ZEALAND supported noting the report. The EU stressed that virtual participation should count towards quorum at JISC meetings, while UKRAINE expressed concern, noting technical and time zone constraints. JAPAN warned against prejudging work undertaken on the creation of new mechanisms under the Paris Agreement. Discussions will continue.

MATTERS RELATED TO THE CDM: In the contact group, co-chairs Karoliina Anttonen (Finland) and Hlobshile Shongwe (Swaziland) invited parties' views regarding the report of the CDM Executive Board to the CMP (FCCC/KP/CMP/2016/4).

BRAZIL stressed use of CERs in the context of the CORSIA under the ICAO. INDIA called for consideration of small projects. The EU called for exploring possibilities to reduce the cost of monitoring by expanding the use of tiered projects.

Saint Lucia, for AOSIS, expressed hope for progress on the CER registry's transparency, double counting and CDM loan schemes. Discussions will continue.

MATTERS RELATING TO THE ADAPTATION FUND:

Report of the Adaptation Fund Board: During informal consultations, parties welcomed the draft conclusions and decision, with some suggesting including references to: the status of available funds, reporting on cash flows, and status of the active pipeline of projects and programme proposals submitted to the Adaptation Fund; fundraising strategies; and the AFB

Report's Addendum on added value of the Adaptation Fund for the operationalization of the Paris Agreement. The co-chairs will revise the draft text based on parties' inputs.

SBI CONTACT GROUPS

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Budget Performance for the Biennium 2016-2017: Discussions continued in the contact group on the basis of a draft COP decision considered the previous day.

Delegates debated, *inter alia*, whether to: request the Secretariat to follow up with parties that have outstanding contributions and report back; and urge "further contributions," "parties to further contribute" or "Annex II parties to further contribute" to the Trust Fund for Participation in the UNFCCC Process.

Chair Kunihiko Shimada (Japan), noted the contact group did not have a decision to present to the COP, indicating the issue may be taken up at the Presidency level.

NEW ZEALAND urged parties to accept a paragraph on the revised scale of contributions for 2016-2017 given that the Secretariat would otherwise lack sufficient funding for the 2017 programme of work. SAUDI ARABIA did not agree.

APA CONTACT GROUPS AND INFORMAL CONSULTATIONS

FURTHER MATTERS RELATED TO IMPLEMENTATION OF THE PARIS AGREEMENT:

Discussions in informal consultations focused on the Adaptation Fund serving the Paris Agreement. Responding to the Bahamas, for the G-77/CHINA, the US clarified concerns on: ensuring the governing structure includes countries not party to the Kyoto Protocol; fitting the Fund into the post-Paris financial architecture; evaluating the Fund's effectiveness; agreeing on all sources of funding; and reviewing the safeguards policy.

The EU added that: the Fund is under CMP authority and no other financial institution is under the CMA's authority; the third review of the Fund is not "business as usual"; and arrangements for the Fund's work must be examined. He called for agreeing on a clear workplan with issues to be resolved, a timeline and an end date.

Tuvalu, for the LDCs, and ARGENTINA stressed possible resolutions for legal issues raised. ARGENTINA noted the third review is like the previous two, and the safeguards policy and arrangements with implementing entities are similar to those under the GCF. The G-77/CHINA suggested the CMA can make the necessary arrangements quickly, by 2018 at the latest.

The APA co-chairs circulated their reflections on earlier discussions on issues under this agenda item, accompanied by a note capturing parties' views. Informal consultations will continue.

FURTHER GUIDANCE IN RELATION TO THE MITIGATION SECTION OF DECISION 1/CP.21:

In the informal consultations, Co-Facilitator Gertraud Wollansky (Austria) reported on the previous day's informal informals, noting general consensus on a call for more focused submissions and that, while there was no agreement on further technical work at this stage, this remains an option later on.

Parties then exchanged views on accounting for NDCs. Many agreed that Decision 1/CP.21 paragraph 31 (NDCs accounting guidance) provides the basis for developing guidance. Kenya, for the AFRICAN GROUP, called for guidance to be flexible and, with the EU, to promote progression. Many supported building on existing arrangements under the Convention and the Kyoto Protocol, and providing flexibility to developing countries.

Saudi Arabia, for the ARAB GROUP, said methodologies and approaches in developing countries should be nationally determined.

ARGENTINA suggested “different layers of accountability” are required for different NDC types. NEW ZEALAND proposed the range of options for developing guidance includes: identification of NDC types and developing guidance for each; a panel-based assessment similar to the CDM Methodologies Panel; and parties explaining why and how their approach is consistent with the principles of Paris Agreement Article 4.13 (accounting for NDCs).

Countries suggested identifying linkages with, *inter alia*, other sub-items under this APA agenda item, and Paris Agreement Articles 6 (cooperative approaches) and 13 (transparency framework).

China, for the LMDCs, proposed defining accounting and, opposed by the EU, developing accounting guidance for technology and capacity-building support.

MODALITIES AND PROCEDURES FOR THE EFFECTIVE OPERATION OF THE COMMITTEE TO FACILITATE IMPLEMENTATION AND PROMOTE COMPLIANCE: In informal consultations, Co-Facilitator Janine Felson (Belize), supported by several parties, suggested submissions should specify modalities and procedures required for the effective operation of the committee and elaborate elements that could be addressed through such modalities and procedures. She noted that this question does not preclude parties from submitting their views on other issues.

The Gambia, for the LDCs, urged the development of a workplan at this session, and others asked if these submissions would constitute a workplan. NORWAY suggested a synthesis paper based on the submissions, which IRAN opposed.

Co-Facilitator Felson suggested the submissions also address further work, which Saint Vincent and the Grenadines, for AOSIS, NORWAY and others supported. IRAN suggested that the discussion on the way forward should occur in light of discussions in May 2017. Informal consultations will continue.

FURTHER GUIDANCE IN RELATION TO THE ADAPTATION COMMUNICATION, INCLUDING, *INTER ALIA*, AS A COMPONENT OF NDCs: Co-Facilitator Beth Lavender (Canada) noted that the table summarizing parties’ views on different aspects of the adaptation communications had been updated on the basis of the previous day’s inputs.

In response to a request from Argentina, for the G-77/CHINA, she clarified that a draft informal, non-negotiated note would be made available to parties. She proposed it include the co-facilitators’ reflections on issues of convergence and divergence, and that the table be annexed to the report.

On technical work to advance over the next year, NEW ZEALAND suggested requesting the Secretariat to synthesize parties’ submissions on this item around common themes. The EU supported requesting the Secretariat to develop a technical paper, containing a compilation of existing guidance on adaptation communications.

Co-Facilitator Lavender invited parties to provide their reflections on the co-facilitators’ draft note and further ideas on the workplan going forward on Monday.

MPGs FOR THE TRANSPARENCY FRAMEWORK FOR ACTION AND SUPPORT: In informal consultations, parties discussed a draft co-facilitators’ informal note on a workplan.

Under organization of work, CHINA emphasized building on existing mechanisms and the principle of differentiation.

On the modalities section, responding to several parties’ concern that technical and/or synthesis papers “should be utilized starting in the second half of 2017 and in 2018” had not been agreed, the EU and SOUTH AFRICA suggested generally recognizing such papers’ value for future sessions.

On submissions in the next steps section, BRAZIL, the EU, NEW ZEALAND, REPUBLIC OF KOREA, Peru, for AILAC, and the US, opposed by CHINA and INDIA, called for “common” to be inserted before MPGs.

On a workshop, also under next steps, BRAZIL suggested clarifying that workshop discussions about technical expert review and facilitative, multilateral consideration should take place “in conjunction/complementary with” reporting discussions. NEW ZEALAND, supported by BHUTAN, the US and NORWAY, opposed by BRAZIL, suggested the Secretariat could prepare a paper as input to the workshop.

With Brazil’s insertion and other minor revisions, parties accepted the next steps for the APA conclusions on this item. The organization of work and modalities sections will form part of the co-facilitators’ reflections for the APA co-chairs.

CONTACT GROUP ON AGENDA ITEMS 3-8: APA
Co-Chair Sarah Baashan (Saudi Arabia) informed that revised APA draft conclusions, including on organization of work, are available, and that informal consultations would continue on Monday, 14 November, before the APA closing plenary. The contact group then heard reports from the informal consultation co-facilitators.

Co-Chair Baashan invited parties to share views on the updated draft conclusions. On whether the APA should hold its second, or a resumed, session in May 2017, many supported a resumed session. TUVALU, opposed by CHINA and the US, suggested not referring to the need to progress on all items in a “balanced” manner, noting that some issues can be dealt with quickly.

BRAZIL, supported by the US, and opposed by SOUTH AFRICA, CHINA and SAUDI ARABIA, called for a placeholder for issues that have been mandated to CMA 1 but are not currently under the APA work programme. Co-Chair Baashan suggested parties wait for outputs on this matter from discussions under APA item 8b (preparing for the convening of CMA 1). SWITZERLAND and SOUTH AFRICA inquired about how the placeholders on further work would be populated, including whether to reflect possible divergence in views.

IN THE CORRIDORS

As the first week of COP 22 came to an end, delegates began recalibrating their thinking for week two, from technical to political. With ministers arriving, questions remained on how they would receive the “Marrakech Call for Action,” introduced by President Mezouar as an “appeal, based on values we are all committed to.” Some welcomed the initiative, while others were wary of reopening traditionally difficult issues.

Anticipating the CMA’s historic first convening, delegates discussed how to send a signal of momentum and urgency, which could be undercut if procedural wrangling were to ensue. Observing that parties were sticking to their positions on whether to reconvene the CMA in 2017 or wait until the whole “rulebook” is ready in 2018, one delegate said the trick is “banking decisions in 2017.” Others noted that this also runs the risk, if decisions are not ready, of having to find a way to explain to the world that, as one delegate characterized the discussions in week one, “we continue to discuss the how and not the what” of the rulebook.

As the sun set on the “red city,” many looked forward to the next week to fulfill their expectations of a COP on implementation, action and support, hoping that Marrakech would be able to deliver on all these mandates.



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