

BONN HIGHLIGHTS: FRIDAY, 12 MAY 2017

The Bonn Climate Change Conference continued on Friday. Informal consultations, a contact group and mandated events met throughout the day.

SBSTA

PARIS AGREEMENT ARTICLE 6.2 (ITMOs):

Co-Facilitator Hugh Sealy (Maldives) presented an initial iteration of a list of possible elements prepared by the Co-Facilitators, which he said was open and non-exhaustive. A number of parties, opposed by others, urged viewing this list as an "aide memoire" and asked to start work on agreed headings. Co-Facilitator Kelley Kizzier (EU) introduced the list and invited comments from parties on elements they thought are missing or did not want included. Several parties urged balance in the level of detail. Two groups of parties asked for, among others, links with response measures and reflecting CBDR-RC. A party said the criteria for inclusion in the list need to be agreed text from the Paris Agreement and its accompanying decision. A group of parties objected to the process noting there was no agreement on how to remove elements. Co-Facilitator Kizzier clarified that parties are invited to add or elaborate elements now, with areas of agreement to be identified later.

ARTICLE 6.4 (MECHANISM): Co-Facilitator Kizzier invited comments on a list of elements identified by the Co-Facilitators based on submissions and discussions, calling for a focus on those that are missing or misrepresented. After several parties shared expectations on process, Kizzier clarified that no item will be removed from the list in the first step and parties will decide further steps together. Parties made suggestions for, including, among others: accounting integrity; use of 6.4 registry by non-party stakeholders; operational costs, including registry fees; methodological approaches for overall mitigation; rights of indigenous peoples and local communities; grievance and redress mechanisms; and forwarding a share of proceeds for adaptation, possibly to the Adaptation Fund. The Co-Facilitators will prepare another iteration.

AGRICULTURE: Co-Facilitator Heikki Granholm (Finland) invited views on the review of previous workshops. All parties welcomed the positive progress made in informal informals on agriculture, indicating their optimism about reaching agreement on substantive conclusions at this session and on a COP 23 decision. Informal informals will continue.

SBI

MANDATED EVENTS: Multilateral assessment (MA):

The MA met throughout the day. In the morning, Canada, Cyprus, France, Greece and Iceland presented. Many commented on Canada's presentation of its Pan-Canadian Framework, asking questions on, *inter alia*: current emissions vis-à-vis its 2020 target; national policies on carbon pricing and renewable energy, given Canada's federal system; non-regulatory measures; and LULUCF methodologies. Parties asked France questions on, *inter alia*, LULUCF policies and fluctuations in the energy mix. The MA continued in the afternoon, with presentations by Ireland, Japan, Kazakhstan, Liechtenstein, Luxembourg, Monaco and Portugal.

Paris Committee on Capacity-building (PCCB): The PCCB convened a full-day discussion on the 2017 focus area: capacity-building activities for the implementation of NDCs in the context of the Paris Agreement.

Roundtable discussions were held on: complementarity between the Durban Forum and PCCB's work; initiatives and partnerships supporting the 2017 focus area; and gaps and needs to be addressed in implementing NDCs.

Breakout groups focused on: strengthening collaboration between different actors for supporting capacity-building activities for NDC implementation; and enhancing developing countries' capacities to implement NDCs. Proposals included: databases on gaps, best practices and available training; capacity-building national focal points and needs assessments; issue-specific taskforces; and guidelines for reporting capacity-building needs in national reports to the Convention.

Co-Chair Nummelin thanked participants for the exchange of views, noting the PCCB would deliberate on how the inputs can feed into the 2016-2020 workplan. The PCCB will reconvene on Saturday, 13 May.

DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY (PARIS AGREEMENT ARTICLE 4.12): Co-Facilitator Madeleine Diouf-Sarr (Senegal) invited views on modalities and procedures, and design elements of the registry for NDCs.

Many parties supported: submissions by National Focal Points; and a design based on sortable columns, including country name, submitted file(s), language and submission date/year.

Parties supported inviting submissions on, *inter alia*: ways to enhance security and accessibility; languages of/in the registry; lessons from the interim registry and its user guide; and linkages or bridges between the two registries.

All parties commended the technical focus of the discussions. The Co-Facilitators will prepare draft conclusions.

SBSTA/SBI

TEM ON MITIGATION: Closing session: Nick Nuttall, UNFCCC Secretariat, invited moderators of the thematic mitigation TEMs held during SB 46 to report on: cities, including city-level collaboration, policy and technology solutions, and partnerships; and on land use, including agriculture, forestry and land use, and private sector engagement. Keynote presentations followed.

Matthew Reddy, WBCSD, highlighted the role of the private sector in scaling up solutions for the sustainable use of wood and biomass for low-carbon economies.

Saying TEMs help scale up climate action, Inia Batikoto Seruiratu, High Level Climate Change Champion, Fiji, assured he would work to ensure the outcomes are fed into the thematic areas of the Marrakech Partnership for Global Climate Action.

UNFCCC Executive Secretary Patricia Espinosa described experiences countries shared regarding cities and land as “encouraging but not enough,” calling for putting the high potential into practice.

Commenting on the way forward, participants called for focused topics for future TEMs, connection to the Marrakech Partnership, and youth and private-sector involvement.

RESPONSE MEASURES: Co-Facilitator Andrei Marcu (Panama) led a discussion of the Technical Expert Group (TEG) report. Many developing countries noted their appreciation of the work of the TEG, describing the ways in which it could feed into the Improved Forum and advocating for the TEG to be continued. Many developed countries argued that the TEG should not be reconvened, noting that its constituents were mostly negotiators, and pointing out that the Improved Forum has an agreed work programme that can cover the issues of interest. Discussions will continue.

SCOPE OF THE NEXT PERIODIC REVIEW OF THE LONG-TERM GOAL AND OF OVERALL PROGRESS TOWARDS ACHIEVING IT:

Co-Facilitator Leon Charles (Grenada) presented a new iteration of draft conclusions, including a draft decision, which would defer consideration of the scope of the review of the LTGG until 2019 to allow for ongoing processes, such as negotiations on the GST’s modalities, the 2018 Facilitative Dialogue and technical examination processes, to finish. Parties agreed to the proposed draft text after minor amendments to the draft decision. They added a note that the SBI and SBSTA will resume consideration of this issue “taking into account relevant work.”

APA

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

Co-Facilitator Gertraud Wollansky (Austria) invited comments on features. Parties discussed options including: compiling existing features; elaborating on certain features; and identifying new features. Opposing new features, a number of groups of parties stressed the importance of reflecting differentiation in features such as ambition and progression, referencing Agreement Article 3, with one group urging flexibility for LDCs and SIDS. Some parties said NDCs contain both nationally determined and “centrally determined” aspects, urging guidance on the latter. A few parties called for distinguishing between features of NDCs and information contained therein, with a group arguing that they may not be different.

In the afternoon, Co-Facilitator Sin Liang Cheah (Singapore) invited parties to share views on features and accounting. A group of parties stressed: defining features as characteristics of NDCs; building common timeframes; and, opposed by some parties, restricting focus to mitigation. Developing countries described flexibility as key. On the purpose of accounting, various parties mentioned ensuring consistency. Many parties mentioned environmental integrity, avoidance of double counting and facilitation of aggregation. On accounting guidance, a group of developing countries underlined flexibility and capacity building for developing countries. Developed countries noted the need to address NDCs’ diversity. A party cautioned against standalone guidance on land use. A few parties, opposed by a party, urged joint discussions with SBSTA on Article 6 (cooperative approaches). Several parties supported inviting submissions with focused headings.

ADAPTATION COMMUNICATIONS: Co-Facilitator Beth Lavender (Canada) led a discussion on the elements of adaptation communications. A developing country group and a developed country group put forward separate draft lists of elements for consideration, and there was agreement that the two lists were not far apart. Some parties suggested that some or all elements should be a minimum common feature of the communications, with one noting that anything less would not properly serve the GST. Others argued that minimum common elements would be inappropriate given the voluntary and country-driven nature of the communications.

Co-Facilitator Nicolas Zambrano Sanchez (Ecuador) led a discussion on linkages. Several parties suggested that, given the dynamic state of discussions in linked areas such as the transparency framework and the GST, this discussion was premature. Some developing countries highlighted existing guidance for some types of forms of adaptation communications such as on NAPs and NAPAs, and underlined the need to not create any additional burden.

TRANSPARENCY FRAMEWORK FOR ACTION AND SUPPORT:

Co-Facilitator Xiang Gao (China) presented a tool to initiate dialogue on information related to climate change impacts and adaptation under Paris Agreement Article 7 (adaptation). Many developed countries noted that in the Agreement parties “shall” report on adaptation action, arguing flexibility does not need to be elaborated in the modalities, procedures and guidelines (MPGs). Various developed countries, opposed by some developing countries, called for removing reference to loss and damage in the Co-Facilitators’ tool. Other issues addressed included the need to avoid undue burden to developing countries, and effectiveness and sustainability of adaptation action.

In the afternoon, Andrew Rakestraw (US) co-facilitated. Parties shared their initial views on a Co-Facilitators’ list of headings for discussion on information on financial, technology transfer and capacity-building support needed and received. Parties suggested: adding principles under objectives; including information on transaction costs; specifying “development and” technology transfer support; and avoiding references to reporting information on “use, impacts and results” of support and to new ideas such as “status of action” or “underlying assumptions” of support needs. Some developed countries described information on underlying assumptions and methodologies as useful. Many developing countries noted challenges in: identifying information gaps related to needs; tracking of support; and, with others, untangling support for technology transfer from support for capacity building.

Many developing countries stressed that enhanced action requires enhanced support and called for a definition of climate finance and clarity on accessibility. Some suggested specific references to additional Paris Agreement articles, while others proposed either deletion of references or including all of them. Many noted ongoing work on modalities under SBSTA as a useful input for work under the APA.

The Co-Facilitators will hold informal bilateral discussions with interested groups to discuss next steps and revise the informal note.

GLOBAL STOCKTAKE (GST): Co-Facilitator Ilze Prūse (Latvia) invited views on the GST's modalities. Various developing and developed countries suggested that the GST's phases be dynamic and feature information gathering and compilation, consideration of these inputs and preparation of technical outcomes. Some stressed the need to maintain the integrity of the GST's technical phase. Many suggested the CMA oversee the GST, with some proposing constituting a joint contact group to consider the results of the technical phase. Some developing countries suggested holding three separate dialogues to consider capacity building, technology and finance. A party suggested the Secretariat prepare a background paper on lessons learned from the Structured Expert Dialogue on the 2013-2015 review. A group of developing countries expressed concern with using some terms not included in the Paris Agreement, such as "outputs." Various parties noted that equity should be considered as a cross-cutting theme in all of the GST's workstreams. The first iteration of the Co-Facilitators' informal note will be updated based on the discussions.

COMMITTEE TO FACILITATE IMPLEMENTATION AND PROMOTE COMPLIANCE: Co-Facilitator Peter Horne (Australia) invited comments on national capabilities and circumstances, and interlinkages. On the former, three developing countries stressed the need for modalities addressing differentiation, citing CBDR and the technical, not political, nature of the committee. Several developed countries and one developing country group stated that the committee could decide which flexibilities are warranted on a case-by-case basis, saying differentiated obligations run throughout the Paris Agreement and are therefore reflected in the committee's work.

One developing country group stated that national capabilities and circumstances should be reflected in the procedures and outcomes, and engagements with parties. Stating there is no need to be overly prescriptive, another developing country group suggested flexibility in the consultations with a party, assistance given to the party and output of the processes.

On linkages, many observed linkages to the transparency framework as a source of an objective or automatic trigger, or as an input to other triggers. Some developed countries suggested exploring links to the Article 6.4 mechanism, which two developing country groups opposed, expressing concerns over the potential for punitive measures.

Several parties commented on the relationship with the CMA, some noting a role for the committee to report on systemic issues. One developing country group said the CMA should have authority over and provide guidance to the committee, which two other developing country groups opposed, saying work should remain at the committee level. Informal consultations will continue.

FURTHER MATTERS: Adaptation Fund: Pieter Terpstra (the Netherlands) co-facilitated.

The Secretariat's legal team responded to parties' questions on the legal threshold needed for the Fund to serve the Paris Agreement, clarifying that this rests on complementary, but not simultaneous, CMA and CMP decisions. Decisions on governance, arrangements and modalities, she explained, will depend on which instruments or agreements the Fund will serve.

One group of developing countries disagreed with this interpretation, stressing its view that: a decision that the Fund is going to serve the Agreement has already been adopted and decisions in 2018 will merely decide how to operationalize that decision; and the Fund should remain under the sole decision-making authority of the CMP, with the CMA only taking note of CMP's decisions.

Other developing countries considered an option that parties agree that the CMP decides the Fund serves the Agreement and that the Fund's Board shall be under the authority of the CMA; and work on issues related to revenue sources of the Fund, trusteeship and eligibility of Paris Agreement parties on the Board.

Several developing countries noted the need to address transitional issues, such as how to deal with "grandfathering" projects already in the pipeline. Discussions will continue.

Matters except the Adaptation Fund: APA Co-Chair Sarah Baashan (Saudi Arabia) co-facilitated. The meeting considered: initial guidance by the CMA to the LDC Fund (LDCF) and the Special Climate Change Fund (SCCF); and guidance by the CMA on the adjustment of existing NDCs. Many parties stated that neither item is a priority, noting that when Paris Agreement parties begin providing support via the LDCF and SSCF they can at that time give guidance to the GEF, which administers them. On guidance for adjusting NDCs, many parties pointed out that guidance for transmitting NDCs already covers most of the relevant details.

IN THE CORRIDORS

On Friday morning, negotiations in Bonn pressed on, with the busy schedule starting to near "COP mode."

Happy delegates were seen coming out of the negotiations on agriculture and the NDC registry, commenting on the positive spirit and constructive discussions. This spirit was also alive at the multilateral assessment session, where an observer remarked she was "pleasantly surprised" by the elaborate questions and detailed answers by some countries.

Outside other mandated events, some more skeptical observers were heard wondering about the added value of some of the thematic events, lamenting the short time allocated in many for interactive discussions. Back in the negotiations themselves, a frustrated negotiator suggested setting up an "*ad hoc* working group on renegotiating the Paris Agreement" after countries had, in several informals, circled around how to strike a balance between sticking to the Paris Agreement and providing "meaty" guidance to make the Agreement operational.

Looking ahead to Saturday's full schedule, one delegate said she was "glad that we are finally getting to substance" and hoped that, at this session, parties would succeed in staying focused on issues where progress can be made, while "saving" those issues that need political engagement for COP 23.

