

BONN HIGHLIGHTS: TUESDAY, 16 MAY 2017

The Bonn Climate Change Conference continued on Tuesday. Throughout the day, informal consultations, mandated events and a contact group convened.

SBSTA

PARIS AGREEMENT ARTICLE 6 (COOPERATIVE APPROACHES): Co-Facilitator Hugh Sealy (Maldives) invited parties to consider the second iteration of the three compilation lists. Two parties suggested describing the lists as an aide memoire. A group of parties identified three options on the status of the lists: reflection of views; basis for further discussion; and basis for guidance. Some parties said the lists could reflect what was said and be a basis for further work. Some parties said the lists could be used to structure priority elements in submissions, while others urged retaining the appropriate caveats. Parties exchanged views on the lists' elements, including: the scope of Article 6.2 (ITMOs), applicable principles and the destination of the share of proceeds; linkages between Agreement Article 19 (institutional arrangements) and Article 6.4 (mechanism); and the lack of references to double counting and corresponding adjustments.

In the afternoon, parties noted the need to, among others: maintain balance in the lists' content; have elements that can be elaborated; and distinguish between solutions and elements. On non-market approaches, several parties said it is too early to discuss functions and governance. Co-Facilitator Sealy said parties will receive a 'version 2.1' of the elements lists, a set of draft conclusions and a Co-Facilitators' reflection note. Informal informals convened in the evening.

TECHNOLOGY FRAMEWORK UNDER THE PARIS AGREEMENT: Elfriede More (Austria) presented revised draft conclusions. Parties' views continued to differ on how to capture discussions on principles for the technology framework.

On including the Technology Mechanism and relevant stakeholders, many developing countries stressed clarifying the need for an "enhanced" role of the Technology Mechanism, which others opposed. One party opposed reference to transformational change.

On inviting the TEC and CTCN to provide information on possible additional activities relevant to the technology framework's implementation, parties agreed to add reference to the "implementation of the Paris Agreement." One party underscored the CTCN and TEC cannot extend their own mandates.

In the afternoon, one party presented text developed during informal consultations. On "principles" or "guiding values," some parties, opposed by others, preferred referencing principles and emphasized the need for further elaboration.

Parties eventually agreed that the principles are coherence, inclusiveness, result-oriented approach, transformational approach and transparency, and that these principles should guide the Technology Mechanism in implementing the Paris Agreement.

On stakeholder involvement, parties agreed that the technology framework should strengthen the Technology Mechanism and the involvement of relevant stakeholders in accordance with their respective roles in achieving transformative changes envisioned in the Paris Agreement, considering the SBSTA 45 initial themes and the technology cycle.

CAPACITY BUILDING: Parties exchanged views on draft conclusions and decision text. Parties were unable to agree to the text, which contained paragraphs, *inter alia*: welcoming the Secretariat's synthesis report (FCCC/SBI/2017/3); noting that capacity-building efforts are being undertaken in developing countries but that gaps, needs and constraints remain; and concluding the fourth review of the implementation of the capacity-building framework in economies in transition and recommending a draft decision. Parties agreed to procedural draft conclusions, deciding to continue discussions at SBI 47.

SBI

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS: Chair Collin Beck (Solomon Islands) invited views on revised draft conclusions text. Parties disagreed on whether to specify that the contribution of non-party stakeholders be confined to substantive issues. While various developing countries supported a call for submissions on this matter, many developed countries noted submissions already received and the in-session workshop provided enough views.

Parties' views were also polarized on a proposal to establish a differentiated procedure to avoid risks associated with non-party stakeholders' participation, including a monitoring and review of the procedure. Many parties opposed such language, arguing it counters the principle of transparency and seeks to address "risks" that have not occurred.

The proposed procedure was discussed in the afternoon contact group. On an alternative paragraph inviting the Secretariat to enhance existing practices for the facilitation of non-party stakeholder participation, parties, including ECUADOR, the RUSSIA FEDERATION and the US, expressed diverging views. ECUADOR supported references to "integrity, legitimacy and reputation," which others opposed, with the US noting these did not have shared definitions.

On the way forward, ECUADOR supported submissions, with the US and EU expressing reservations. Parties agreed to both paragraphs, without the references proposed by Ecuador, but inviting submissions and taking stock of progress at SBI 48. Parties agreed to the draft conclusions with these and other amendments.

SBI/SBSTA

TEM ADAPTATION: Musonda Mumba, UN Environment, moderated.

Hakima El Haite, High-Level Climate Champion, Morocco, called for an integrated approach to deliver on adaptation and the SDGs.

Calling for urgency and resolve, Inia Seruiratu, High-Level Climate Champion, Fiji, highlighted the growing frequency and intensity of cyclones.

Participants considered synergies among the UNFCCC, Sendai Framework and the SDGs, discussing, *inter alia*: holistic approaches; loss of datasets after disasters and reporting implications; and coordination of national implementation and global organizations.

RESPONSE MEASURES: Co-Facilitator Andrei Marcu (Panama) led discussions on two draft conclusions texts: on the Improved Forum and work programme; and on modalities, work programme and functions of the forum under the Paris Agreement. A few brackets were removed, but fundamental differences persisted on the value of: intersessional work/meetings; producing a formal report from the TEG meeting; and reconvening the TEG. Informal consultations continued in the evening.

APA**TRANSPARENCY FRAMEWORK FOR ACTION**

AND SUPPORT: Co-Facilitator Xiang Gao (China) invited comments on the Co-Facilitators' draft reflections on the informal consultations. On next steps, parties agreed to specify that the pre-session workshop focus on issues covered in parties' submissions and include technical discussions on how these submissions address cross-cutting issues contained in a non-exhaustive list.

On the annex to the draft informal note, containing possible headings and subheadings of the MPGs, one party suggested adding principles as overarching considerations.

In the afternoon, one party called for noting in the text that there are varying views on the operationalization of Agreement Article 13.3 (recognition of SIDS and LDCs, and facilitative, non-intrusive, non-punitive implementation). Another party opposed any changes to the annex. The Co-Facilitators will submit a revised informal note with this addition in the annex's disclaimer to the APA-Co-Chairs.

GLOBAL STOCKTAKE (GST): In the morning, Co-Facilitator Xolisa Ngwadla (South Africa) invited views on the Co-Facilitators' proposed textual outline. While developing countries welcomed the draft outline as a basis for further discussions, developed countries opposed, calling for a more general outline and stressing the need for the headings to reflect the APA mandate.

In the afternoon, a new list of headings proposed by a developed country was not supported by developing countries. On the way forward, views diverged on: calling for submissions, including on equity; a technical paper on lessons learned from the 2013-2015 review; mandating a Co-Facilitators non-paper outlining areas of divergence and convergence; and an intersessional roundtable to discuss headings. Co-Facilitator Ilze Prūse (Latvia) proposed forwarding the Co-Facilitators' informal note with an indication that it does not reflect parties' agreement on the headings and calling for submissions on possible headings.

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

Parties welcomed the Co-Facilitators' revised draft informal note, which included reflections on the discussions and two annexes: one with a list of options and elements identified by parties in response to the guiding questions; and another, prepared by UNFCCC Legal Affairs, on informal consultations on matters related to arrangements for the Fund to serve the Paris Agreement.

On the way forward, parties agreed that the Secretariat should upload a list of relevant CMP decisions to the UNFCCC website, with one party highlighting the 2006 CMP decision on the Adaptation Fund (Decision 5/CMP.2).

Further matters except the Adaptation Fund: APA Co-Chair Jo Tyndall (New Zealand) introduced the second draft of the Co-Facilitators' informal note, which proposes ways forward on: the response measures forum under the Paris Agreement; recognition of developing countries' adaptation efforts; and (initial) guidance to the GCF and GEF, and LDCF and SSCF. One party called for procedural clarity on how the forum on response measures would report to the APA, opposed by others. On recognition of adaptation efforts, parties discussed how a draft decision on the recommendations of the Adaptation Committee and LEG would be prepared for the CMA. The Co-Chairs will revise the note.

PROCESS TO IDENTIFY THE INFORMATION TO BE PROVIDED BY PARTIES IN ACCORDANCE WITH AGREEMENT ARTICLE 9.5

The roundtable discussion, co-moderated by Outi Honkatukia (Finland), focused on: challenges and gaps in providing *ex ante* information (Agreement Article 9.5), including lessons from the biennial submissions on strategies and approaches (Decision 3/CP.19, paragraph 10); and possible types of *ex ante* information.

Developed countries identified challenges in providing quantitative forward-looking projections, including: unpredictability of annual budget cycles; trade-off between certainty and length of the projection period; and need for flexibility in host country-driven programming. One noted that setting quantitative multi-year targets requires political will.

On overall lessons, many said the biennial submissions have improved in-country information and policy coordination. Some called for enhancing consistency in reporting across countries. Some suggested the collective effort will improve understanding of the global climate finance landscape. Several developing countries stressed the importance of predictability, *inter alia*, for trust, political will and the scoping of availability of resources.

Some described the biennial submissions as a good basis for further work. Parties identified as possible types for further information provision: quantitative estimates of total provision with adaptation finance disaggregated; baseline references; priority countries and sectors; sectors of expertise; plans and efforts to mobilize finance, enhance enabling environments and reduce support to high-emission investments; and results and adequacy assessments.

Responding to parties' requests to postpone the second session given scheduling challenges, Co-Moderator Rafael da Soler (Brazil) noted discussions will continue either on Wednesday, 17 May, or at COP 23.

IN THE CORRIDORS

On Tuesday, delegates arrived at the conference center focused on how to capture work carried out at this session. As various skeleton texts started to emerge in the form of "snapshots," "aide memoires," and "informal elements," one delegate mused there are "50 shades of notes" for "50 different levels of comfort." As many of the last meetings of APA informal consultations for the meeting were going overtime to reach agreement on what to forward to the APA Co-Chairs in the evening, one scrambling delegate was heard complaining "there are too many fires to put out" as he went off to another meeting.

Looking ahead to Wednesday's APA contact group, several worried about the risk of leaving Bonn with minimal or no outcomes. A more optimistic delegate, eager to set the stage for concrete, technical discussions said "we need to take everyone on board even if we move slowly here."