

FIJI / BONN HIGHLIGHTS: THURSDAY, 9 NOVEMBER 2017

The Fiji / Bonn Climate Change Conference continued on Thursday. Informal consultations and contact groups under the COP, CMP, APA, SBSTA, and SBI convened throughout the day. In the afternoon, the APA held a stocktake to hear reports from work under all its agenda items.

COP

MATTERS RELATING TO FINANCE: Sixth Review of the Financial Mechanism: In the contact group, co-chaired by Georg Børsting (Norway), parties provided inputs for a draft decision text. Many parties and groups expressed support for the recommendations in the SCF self-assessment report (FCCC/CP/2017/9).

The Philippines, for the G-77/CHINA, called for, *inter alia*: an overview of the climate finance architecture; avoiding duplications; and assessing other sources of financing. Egypt, for the AFRICAN GROUP, stressed the need for predictability and assessment of financing needs. SOUTH AFRICA underscored the need to review the relationship between the SCF report and the terms of reference of the review.

SWITZERLAND, the US, and the EU called for a structure similar to that of the fifth review COP decision, with the US and the EU supporting consideration of highlighting some SCF recommendations. The US supported observer and private sector engagement with the SCF and GEF. The co-chairs will compile a draft text to be shared in the next meeting of the group, based on discussions and parties' brief additional submissions.

Long-term Climate Finance: In the contact group, Co-Chair Zaheer Fakir (South Africa), invited parties' inputs for a draft decision text.

The G-77/CHINA notified that the group would submit a draft decision. Colombia, for AILAC, said the text should make reference to scaling up provision and mobilization of climate finance. MALAWI highlighted scale, progression, and predictability. MALDIVES stressed transparency and called for a synthesis of biennial submissions by developed countries by COP 24 to track progress towards the US\$100 billion goal.

The EU, SWITZERLAND, and CANADA indicated commitment to scaling up climate finance to the US\$100 billion goal by 2020.

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APA

STOCKTAKE: APA Co-Chair Sarah Baashan (Saudi Arabia) informed that the co-chairs would initiate consultations with parties on Friday, 10 November, on both the outputs from this session and work in 2018, including possible inputs and additional meetings.

On the mitigation section, Co-Facilitator Gertraud Wollansky (Austria) informed that discussions on how to proceed had not resulted in agreement and would continue.

On adaptation communication, Co-Facilitator Beth Lavender (Canada) noted the co-facilitators had produced a "rough list" of headings and sub-headings which will be the focus of the coming informal consultations.

On transparency, Co-Facilitator Andrew Rakestraw (US) informed that discussions had focused on the "preliminary materials document" prepared by the co-facilitators. Noting more time would be beneficial, Rakestraw said the co-facilitators expected to develop a draft informal note over the weekend.

On the GST, Co-Facilitator Richard Muyungi (Tanzania) informed that parties had worked to refine and populate the "building blocks table" developed by the co-facilitators. Muyungi said a dedicated consultation session would convene to discuss equity in the context of the GST.

On the committee to facilitate implementation and promote compliance, Co-Facilitator Peter Horne (Australia) said the attendance of the co-facilitator for transparency at one informal consultation was useful to "tease out" interlinkages and future informal consultations will focus on the recently-released preliminary materials document.

On further matters relating to the Adaptation Fund, Co-Facilitator María del Pilar Bueno (Argentina) highlighted differing views regarding whether a decision should be taken at COP 23 on the Adaptation Fund serving the Paris Agreement.

On other further matters, Co-Facilitator Jo Tyndall (New Zealand) outlined how the consultations will address the five remaining possible additional matters by asking whether, where, how, and by which body they should be taken up.

Ecuador, for the G-77/CHINA, expressed concern about the differing levels of progress and lack of clarity on how some agenda items will move forward, and stressed the need to avoid overlapping meetings.

Switzerland, for the EIG, supported by GEORGIA, said work should progress on the full scope of the mandate without adding new issues, and said differentiation should be rooted in concrete, not ideological, terms.

The EU expressed disappointment over the lack of progress on agenda item 3 (mitigation section), which she said should have a single note with headings, sub-headings, and a textual narrative.

Ethiopia, for the LDCs, cited a lack of progress on agenda item 3 and further matters, including modalities for Agreement Article 9.5 (*ex-ante* finance transparency) under the APA, and urged parties to decide, at COP 23, that the Adaptation Fund shall serve the Paris Agreement.

Saudi Arabia, for the ARAB GROUP, stressed the need to include all elements of party submissions in revised documents, and underscored that the group would only accept an omnibus decision with “all items in an integrated structure.”

Stressing that parties must “pick up the pace,” Australia, for the UMBRELLA GROUP, expressed disappointment that some parties insist on working outside the mandate of the Paris Agreement.

Iran, for the LMDCs, said the accelerated pace of work has not allowed the group to give agenda items the consideration they deserve.

South Africa, for the AFRICAN GROUP, reiterated the importance of building on the informal notes from APA 1-3, and expressed concern about developed countries’ lack of political will on indicating funding for developing countries.

Maldives, for AOSIS, expressed concern about progress, saying all agenda items need to advance equally, and called for draft texts that encompass all elements of the Paris Agreement work programme.

Stressing that progress is in the hands of parties, Co-Chair Baashan closed the session.

FURTHER GUIDANCE IN RELATION TO THE MITIGATION SECTION OF DECISION 1/CP.21: In informal consultations, Wollansky informed that discussions among parties had not achieved progress. She noted a proposal from a number of developed and developing countries to use the appendices in the co-facilitators’ non-paper as the basis for the way forward.

A developing country group, supported by many other countries, proposed including, in the document a structure, headings, and sub-headings, as well as specific issues, and formulating clusters of information or options. One group, opposed by a country, called for having two sets of guidance in the substantive elements for information and accounting.

Many supported a format for capturing progress similar to that used in the APA transparency discussions, or a preliminary materials document, but disagreed on the exact format and content.

Parties expressed support for the co-facilitators’ proposal to prepare a document, stressing it should capture all views and respect red lines. Informal consultations will continue.

ADAPTATION COMMUNICATION: Informal consultations were co-facilitated by Lavender, who introduced an informal note containing a “skeleton” list of headings and sub-headings based on parties’ inputs. Several countries asked for clarification about what constitutes a sub-heading and what is content. Several developed countries expressed concern about the balance of the paper and noted the need to move towards discussing and populating content, especially regarding elements as they had already been discussed. Several developing countries asked for more information and clarification regarding the different heading options. Informal consultations will continue to focus on the headings.

MPGs FOR THE TRANSPARENCY FRAMEWORK FOR ACTION AND SUPPORT: Informal consultations continued, co-facilitated by Xiang Gao (China) and Rakestraw, to identify missing information and opportunities to streamline the preliminary materials document. Among missing elements, parties identified the need to, *inter alia*: capture ongoing processes elsewhere in the Convention; allow flexibility of reporting for developing countries; and link to ambition in a “forward-looking

approach.” Views diverged on a notation scheme developed by the co-facilitators to indicate which provisions applied to which party groupings in the preliminary material document, with one developing country stressing it did not reflect the “delicately-negotiated” balance of the Paris Agreement. Parties also diverged on requests to include additional headings, with one developed country stating it would not accept a heading related to Paris Agreement Article 9.5 (*ex-ante* finance transparency) on support for preparation of NDCs and adaptation communications. Informal consultations will continue.

COMMITTEE TO FACILITATE IMPLEMENTATION AND PROMOTE COMPLIANCE: Horne co-facilitated informal consultations that resumed discussions on linkages with the enhanced transparency framework and systemic issues. He then invited initial views on the co-facilitators’ preliminary materials document, with many countries expressing comfort to use as a basis for further work. One group called for several sections to be discussed under the umbrella of each type of trigger and suggested adding reference to specific obligations, while another group noted that a statement regarding a broad scope could suffice. Three developed countries expressed concern with the section on underlying principles. Countries expressed varying views on how to operationalize differentiation, or differing national capabilities and circumstances. Informal consultations will continue.

FURTHER MATTERS: Adaptation Fund: Pieter Terpstra (the Netherlands) co-facilitated informal consultations. Views diverged on whether to adopt a decision in 2017 or 2018. One developing country group presented two draft decisions that both agree that the Adaptation Fund shall serve the Paris Agreement and decide to undertake further work on arrangements related to governance, safeguards, and operating modalities, with the second decision identifying operational policies and guidelines related to, *inter alia*, access to resources and a resource mobilization strategy, that should apply *mutatis mutandis*. Several developed countries’ proposals highlighted the need for a transitional period, with one group proposing that the Fund should serve the Agreement from 2020. A developed country underlined that the primary source of funding should be a share of proceeds from markets, and several others called for clarifying the relationship with Agreement Article 6, while one developing country group characterized a condition of accepting markets in this context as “a non-starter.” Many agreed that the co-facilitators’ informal note should be revised, although several developing countries called for the draft decisions presented to be the basis of further negotiations. Informal consultations will continue.

SBI

THIRD REVIEW OF THE ADAPTATION FUND: Informal consultations were co-facilitated by Patience Dampsey (Ghana) and Gemma O’Reilly (Ireland), who outlined a co-facilitators’ draft compilation of parties’ inputs, noting it included all options with paragraphs clustered based on the themes of the inputs.

One developing country group asked for clarification regarding the rationale for clustering the paragraphs. Parties discussed whether a paragraph stating that the Adaptation Fund shall serve the Paris Agreement should be bracketed or kept as a placeholder, subject to outcomes under other agenda items. Parties entrusted the co-facilitators to streamline the text. Informal consultations will continue.

MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN PARIS AGREEMENT ARTICLE 7.12: Madeleine Diouf Sarr (Senegal) co-facilitated informal consultations. One country identified four possible proposals

for an informal note: no registry; mandating an existing registry, namely the NDCs registry; a new registry; and a registry with hyperlinks to parties' communications in other registries.

Parties indicated their preferences and provided related justifications. Many stressed the need for a separate registry to give visibility to adaptation. One group called for channeling adaptation information through the NDCs. One country proposed merging the two registries into a registry for both NDCs and adaptation communications. Parties opposing a "registry of hyperlinks" said it would not promote transparency. A group opposed using the NAP Central as a repository for adaptation communications.

Parties did not agree on mandating the co-facilitators to capture the discussions in an informal note. The co-facilitators will prepare draft procedural conclusions for the final session of the informal consultations.

MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN PARIS AGREEMENT ARTICLE 4.12: In informal consultations, Co-Facilitator Peer Stiansen (Norway) introduced an informal note based on discussions at the previous session of the consultations, as mandated by parties.

Raising a point of order, one group called for suspending the meeting without an outcome, stating that the co-facilitators had not been mandated to include linkages to APA item 3 (further guidance in relation to the mitigation section of Decision 1/CP.21) that prejudice its outcome. Stating this was a "trust issue," the group called for issuing procedural conclusions only and considering if the co-facilitators should be changed.

Many other groups and countries expressed willingness to consider removing text, as proposed by the group, pending a clarification from the group raising the point of order. One country proposed discussing headings as a starting point.

After consulting internally, the group stated willingness to continue discussing the text under the guidance of the same co-facilitators on the condition that parts of the text be removed. Noting lack of agreement, Co-Facilitator Stiansen said the co-facilitators would revise the note and consult with the SBI Chair on the way forward, and draft conclusions would be discussed in the final session of the consultations.

MATTERS RELATING TO LDCs: Informal consultations, co-facilitated by Malcolm Ridout (UK), considered draft conclusions. Parties moved through the first nine paragraphs without agreeing on whether to keep a paragraph on whether the LEG together with the GCF Secretariat should guide LDCs in accessing the GCF Readiness and Preparatory Support Programme. Parties also disagreed on whether to list the type of organizations that would be invited to participate in, and organize, the NAP Expo. Informal consultations will continue.

COORDINATION OF SUPPORT FOR THE IMPLEMENTATION OF MITIGATION ACTIVITIES IN THE FOREST SECTOR BY DEVELOPING COUNTRIES, INCLUDING INSTITUTIONAL ARRANGEMENTS: In informal consultations, co-facilitated by Ayman Cherkaoui (Morocco), parties discussed options contained in a draft decision. Views diverged on the need for alternative governance arrangements, with several developed countries arguing that the mandate for this agenda item does not include "facilitation of effective support" for REDD+ implementation. Many developing countries argued that an independent body is needed to coordinate implementation. Views converged on the need to recognize the GCF in the decision because the GCF is the main source of support called for by the Warsaw Framework for REDD+. Informal consultations will continue.

SBSTA

MATTERS RELATING TO AGREEMENT ARTICLE 6: Agreement Article 6.2 (ITMOs): In informal consultations, parties offered feedback on the co-facilitators' informal note, focusing on the potential elements and possible further elements. The co-facilitators will revise the note for the next session. In response to a country's question, Co-Facilitator Hugh Sealy (Maldives) said that the co-facilitators did not intend to deliver a sprawling "compilation text." Several parties warned that any structural changes would be unacceptable, while others welcomed a rationalization of parties' inputs. Informal consultations will continue.

Work Programme under the Framework for Non-Market Approaches (Article 6.8): In informal consultations, co-facilitated by Kelley Kizzier (EU), countries discussed the co-facilitators' informal note. Delegates worked through the headings, potential elements, and possible further elements, without at this stage removing items. Several parties asked for additional headings on governance and review. Several also asked, with others opposing, for replacing the principles heading with a preamble. In response to a party, Kizzier clarified that the workplan on Article 6.8 is ongoing and the task at hand is to produce a decision on the workplan going forward. The co-facilitators will produce a revised informal note for further consultations.

AGRICULTURE: Informal consultations continued, co-facilitated by Heikki Granholm (Finland). A developing country group introduced a proposed draft decision text which requests the SBI to establish and periodically assess a five-year work programme and continue work on six topics: methods and approaches for assessing adaptation; improved soil health, carbon, and fertility; improved nutrient use; improved livestock management; socio-economic dimensions; and methodologies for accelerating technology transfer, accounting for gender considerations. Parties reflected on how the work programme and topics would be addressed jointly by the SBI and SBSTA, the potential scope of a mapping exercise, and the goal of the draft decision. Informal consultations will continue.

SBSTA/SBI

IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES: Andrei Marcu (Panama) co-facilitated informal consultations that focused on the improved forum and work programme. Marcu reminded delegates of a meeting on modelling tools planned for May 2018. Several parties stressed the importance of models in quantifying the cross-border impacts of response measures, highlighting the absence of existing models and the need, especially in developing countries, for capacity building and training materials. Many parties noted the importance of learning from best practices and not duplicating existing efforts. Several stressed the value of outside experts and organizations, and one called for a case study approach. Informal consultations will continue.

IN THE CORRIDORS

On day four, some delegates seemed disoriented. One delegate worried that "we're not really in Fiji or Bonn, but perhaps Geneva," as several texts "ballooned" into compilations. However, unlike in Geneva, and more like in Paris, countries were clearly drawing their "red lines," which a delegate thought was the first time in the APA. The atmosphere was decidedly tense in many consultations, as many wondered how the last four days of work for the three subsidiary bodies would manage to draw lines of agreement on the way forward.



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