

## FIJI / BONN HIGHLIGHTS: TUESDAY, 14 NOVEMBER 2017

The Fiji / Bonn Climate Change Conference continued on Tuesday. Informal consultations and contact groups under the COP, APA, SBSTA, and SBI convened throughout the day. In the evening, the APA contact group met to consider all its substantive agenda items, and the closing plenaries of the SBI and SBSTA met, adopting several conclusions and decisions.

### COP

**MATTERS RELATING TO FINANCE: Long-term Climate Finance (LTF):** In informal consultations, co-facilitated by Zaheer Fakir (South Africa), parties reacted to revised draft decision text. Developing countries called for, *inter alia*: the deletion of a paragraph on multilateral development banks; capturing the key messages from the 2017 in-session LTF workshop; and reintroduction of text requesting the Secretariat to assist developing countries in assessing their NDC-related needs and priorities.

Developed countries stressed the need for recognition of progress made towards the 2020 goal, and text welcoming other parties' efforts in this regard.

Developed and developing countries diverged on paragraphs on, *inter alia*: a reference to "recognizing the need for public and grant-based resources for adaptation" in a paragraph on public climate funds; and requesting developed countries to further enhance the available quantitative and qualitative elements of a pathway to 2020 through the provision of information.

Parties also diverged on the feasibility of requesting a compilation and synthesis of developed countries' biennial submissions in time to inform the 2018 high-level ministerial dialogue on climate finance.

Informal consultations will continue based on a revised version of the draft decision text.

### APA

**ADAPTATION COMMUNICATION:** Informal consultations were co-facilitated by Julio Cordano (Chile). Cordano said a second iteration of an informal note had been issued but that work to include more detail under each heading, from parties' inputs, had not progressed beyond the sixth heading, but that this process showed what kind of information can be collated.

Several developing countries requested the inclusion of language that reflects that the informal note does not represent convergence among parties, especially on elements. A developed

country, supported by two developing country groups, suggested to not single out NDCs in the two options for adaptation guidance, by including the options on: vehicle specific guidance, with sub-bullets for possible vehicles; and non-specific guidance. Many developing countries supported including in the informal note a request to the IPCC to prepare guidelines regarding methodologies and approaches for aggregating data towards a global goal on adaptation. Several parties questioned the feasibility of this proposal, with one suggesting this would be beyond the scope of the agenda item.

Several parties suggested that the heading on "approach" be included under the heading on "guiding principles," with one developed country opposing, noting a lack of agreement on having a heading on guiding principles. Cordano said that parties' views would be reflected in a third iteration of the informal note.

**GST:** Informal consultations continued, co-facilitated by Outi Honkatukia (Finland) and Richard Muyungi (Tanzania). A developing country group requested that the informal note clearly state that it captures the co-facilitators' understanding of the key elements and does not reflect agreed text. A developed country group agreed, adding that the informal note must make clear that detail can be added in later discussions. One country stressed that information captured in the current informal note does not prejudice the validity of views expressed in future discussions. Muyungi said the co-facilitators would revise the informal note and forward it to the APA contact group, to which parties agreed.

**FURTHER MATTERS: Adaptation Fund:** In informal consultations, co-facilitated by Pieter Terpstra (the Netherlands), countries discussed the revised informal note, containing, as an annex, the draft decisions proposed by one group of countries. Some developed countries raised questions about annexing only one input, while a developing country group underscored that the input has a different legal standing than other inputs received. Terpstra suggested, and countries agreed, that the informal note be revised to: include a link to the UNFCCC webpage containing all previous decisions related to the Adaptation Fund; attach all inputs received; and state that views diverged on the legal standing of the inputs. The informal note was forwarded to the APA contact group.

**Other Further Matters:** In informal consultations, co-facilitated by Sarah Baashan (Saudi Arabia), parties shared views on the possible additional matter of setting a new collective quantified goal on finance prior to 2025. Views diverged on whether: work is already undertaken under the COP sub-item on LTF and the new goal is within the scope of this sub-item; and the

matter is already on the CMA agenda through a reference to the relevant Decision 1/CP.21 (Paris outcome) paragraph in a CMA 1-2 agenda footnote.

Many developing country groups stressed the need for the work to start at CMA 1-2, noting that goals take time to finalize, with some calling for the APA to recommend a CMA procedural decision to allow for inputs as early as possible.

Two developing countries stressed the need to focus on “taking into account the needs and priorities of developing countries” when setting the goal. One developing country proposed the GST discuss the new collective goal.

Many developed countries and a developing country group saw no need for preparatory work to start now, proposing that the CMA start discussions before 2025, possibly in 2023, and, with another developing country group, stressed the need to incorporate lessons from delivery on the 2020 finance goal, and inputs from the Talanoa Dialogue and GST. Two developing countries, in turn, suggested that discussions on the new goal need to inform the Dialogue and GST.

Baashan informed that the co-facilitators would prepare a final iteration of their informal note.

**CONTACT GROUP AGENDA ITEMS 3-8:** Co-Facilitator Jo Tyndall (New Zealand) invited the co-facilitators of informal consultations on agenda items 3-8 to provide short reports on progress, before the contact group considers the APA Co-Chairs’ proposed draft conclusions.

On agenda item 3 (mitigation section of Decision 1/CP.21), Sin Liang Cheah (Singapore) underscored the fundamental challenge of presenting substantive elements without prejudicing parties’ views, but said the preliminary material document would serve as a starting point for work in the next session.

On agenda item 4 (adaptation communication), Cordano reported good progress and said the final iteration of the informal note reflects possible headings and sub-headings.

On agenda item 5 (enhanced transparency framework), Xiang Gao (China) stressed that the content of the informal note is not perfect, but can still serve as a tool to guide further work.

On agenda item 6 (GST), Honkatukia emphasized that parties had demonstrated thinking on how the GST will work in practice, and highlighted a two-hour discussion dedicated to sharing views on equity in the context of the GST.

On agenda item 7 (committee to facilitate implementation and promote compliance), Peter Horne (Australia) reported high-level technical engagements and said the informal note sets up the group to deliver on the mandate in the next year.

On the Adaptation Fund, Terpstra said that though views continue to differ, the group had converged around some governance elements.

On other further matters, Baashan reported that the group had focused on five possible additional matters relating to implementation of the Paris Agreement, but had not addressed sub-item 8(b) (taking stock of progress made by subsidiary and constituted bodies related to the Paris Agreement work programme) due to time constraints.

Tyndall presented the draft conclusions, containing ten paragraphs with bracketed text in four paragraphs, relating to: whether to append to the informal notes from this session as an annex to the APA conclusions (paragraph 4); a call for submissions (paragraph 7); a request for technical papers (paragraph 8); and a recommendation to hold an additional APA session in August or September 2018 (paragraph 9).

On paragraph 4, Brazil, for BRAZIL, ARGENTINA, and URUGUAY, Ethiopia, for the LDCs, Iran, for the LMDCs, the EU, Switzerland, for the EIG, supported by GEORGIA, and INDONESIA, supported annexing the informal notes to the conclusions. Australia, for the UMBRELLA GROUP, opposed. The EIG, supported by GEORGIA, suggested adding that the APA agrees to focus its further work in the upcoming session on substantive elements of the agreed working areas, which CHINA opposed, saying that this could imply that the APA was not already working on substantive matters.

South Africa, for the AFRICAN GROUP, called for the inclusion of three options on how to take forward work relating to the possible additional matter of modalities for communicating finance information in accordance with Agreement Article 9.5 (*ex-ante* finance transparency). AUSTRALIA, the US, and the EU opposed this, with the EU saying that the proposal was substantive while the APA conclusions are procedural. The AFRICAN GROUP said that the proposal was on a way forward, which he characterized as procedural.

On paragraph 5 (recommending the COP President to consider options for bringing together the outcomes of the work under various bodies), Saudi Arabia, for the ARAB GROUP, suggested deleting the reference to the objective of illustrating the progress made, saying it is duplicative. The US expressed concern over the ambiguity of “bringing together,” saying that it should not involve consolidating text.

On paragraph 6 (co-chairs’ reflections note), the LMDCs requested a timeline for preparation of the note. Peru, for AILAC, supported by the AFRICAN GROUP, suggested that the co-chairs’ reflection note seek to eliminate duplications and improve the contents of the informal notes, which INDIA opposed.

On paragraphs 7 and 8, BRAZIL, ARGENTINA, and URUGUAY, the UMBRELLA GROUP, the EU, and the US opposed inviting submissions or technical papers. Maldives, for AOSIS, Peru, for AILAC, INDONESIA, and INDIA said new submissions were not necessary at this point. The EIG, with GEORGIA, said not all items needed submissions, and suggested item 6 (GST) could have submissions and a technical paper.

On paragraph 8, the LMDCs said that streamlining views would be unnecessary and would overburden the Secretariat. CHINA noted a lack of clarity on how streamlining would be done, and supported keeping compilation texts to preserve all views.

The LDCs supported substantive submissions containing textual proposals that streamline work.

On paragraph 9, the UMBRELLA GROUP opposed, calling for targeted roundtables on several items, and stressed the need to reach agreement at APA 1-4 that the outputs will feed into discussions at the next session. The EU said an additional session is unnecessary, but if it was decided she suggested October 2018.

The LDCs, AOSIS, INDONESIA, and CHINA supported an additional session.

After suspending for half an hour, Tyndall reconvened the session, introducing textual amendments, namely: annexing the informal notes to the conclusions; removing text on recommending the COP President to bring together the outcomes of all PAWP-related matters to illustrate progress; specifying that the co-chairs’ reflections note would be issued by early April 2018; replacing the draft paragraphs on submissions and synthesis

papers with a paragraph recalling the general call for submissions by parties; and noting that additional negotiating time in 2018 might be useful.

Tyndall also proposed that, given the lack of consensus on the African Group's proposal, the co-chairs include the proposal in their oral report to the COP and request for its inclusion in the written report of the COP. In addition, she said the co-chairs would convey the divergence of views on the need for an additional session in 2018 when reporting to the COP.

Noting the proposal did not address the group's concern, the AFRICAN GROUP reserved the right to return to this issue after consulting within the group. The EIG requested clarity on how the co-chairs will treat the group's proposal to have a clear call for the next APA session to be focused on substance.

After noting that revised draft conclusions would be made available the same evening and taken up in the APA closing plenary on Wednesday, 15 November, Tyndall closed the session.

## **SBI**

### **REPORTING FROM AND REVIEW OF ANNEX I PARTIES: Compilation and Synthesis of Second Biennial Reports:**

In plenary, SBI Chair Chruszczow noted that consultations on this item did not result in any conclusions and said that, accordance with draft rules of procedure 10(c) and 16, this item would be placed on the provisional agenda for SBI 48.

**REPORTING FROM NON-ANNEX I PARTIES: Work of the CGE:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.31)

**Provision of financial and technical support:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.21)

**COMMON TIME FRAMES FOR NDCS REFERRED TO IN AGREEMENT ARTICLE 4.10:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.20).

**DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN AGREEMENT ARTICLE 4.12:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.30).

**DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY REFERRED TO IN AGREEMENT ARTICLE 7.12:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.33).

**COORDINATION OF SUPPORT FOR THE IMPLEMENTATION OF ACTIVITIES IN RELATION TO MITIGATION ACTIONS IN THE FOREST SECTOR BY DEVELOPING COUNTRIES, INCLUDING INSTITUTIONAL ARRANGEMENTS:** In plenary, SBI Chair Chruszczow noted that consultations did not result in conclusions, and therefore draft rules of procedure 10(c) and 16 would apply. NORWAY said rule 16 has consequences for the status of the voluntary meeting of experts and argued that without conclusions the meetings might not continue automatically. BRAZIL noted that the decision which established the voluntary meetings did not specify an end year and therefore the meetings should continue to be organized by the Secretariat. She asked for this to be reflected in the final SBI report.

**MATTERS RELATING TO THE LDCS:** Informal consultations were co-facilitated by Malcolm Ridout (UK), and parties agreed to draft conclusions without changes.

**NAPS:** Informal consultations were co-facilitated by Ridout, who noted that disagreements were resolved in informal informal negotiations. Subject to small textual changes, parties agreed to draft conclusions.

**DEVELOPMENT AND TRANSFER OF TECHNOLOGIES: Poznan Strategic Programme on Technology Transfer:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.23).

**MATTERS RELATING TO CLIMATE FINANCE: Review of the Functions of the SCF:** In informal consultations, Co-Facilitator Delphine Eyraud (France) invited parties to agree to revised draft conclusions and a draft COP decision. Many developing country groups and parties opposed, objecting to the absence of text on alternate member arrangements for the SCF. They also supported reinserting a paragraph encouraging the SCF to consider ways to enhance its work on issues related to mobilization of climate finance, which was opposed by many developed countries.

Noting the text represented a compromise, many developed countries supported reinserting text on the SCF no longer providing draft guidance to the GCF, but the COP providing guidance instead. One developed country additionally supported reintroducing text on SCF forums convening no more frequently than biennially.

Noting there was no consensus, Eyraud proposed the co-facilitators bring back text as indicated by parties and forwarding the text, with brackets around it, to the SBI Chair, for consideration at COP 23. One developed country opposed sending a non-agreed text to the COP. Noting lack of agreement on the way forward, Eyraud informed that the co-facilitators would report this to the SBI Chair.

**Third Review of the Adaptation Fund:** In plenary, the SBI adopted a draft decision (FCCC/SBI/2017/L.32) for the CMP's consideration.

**MATTERS RELATED TO CAPACITY BUILDING UNDER THE CONVENTION: Capacity Building under the Convention:** In plenary, the SBI adopted conclusions on capacity building in developing countries (FCCC/SBI/2017/L.24) and in economies in transition (FCCC/SBI/2017/L.25), as well as a draft decision (FCCC/SBI/2017/L.25/Add.1) for the consideration of the COP.

**Annual Technical Progress Report of the PCCB:** In plenary, the SBI adopted conclusions and a draft decision (FCCC/SBI/2017/L.28) for the consideration of the COP.

**Capacity Building under the Kyoto Protocol:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.26, L.27) and a draft decision (FCCC/SBI/2017/L.27/Add.1) for the CMP's consideration.

**WAYS OF ENHANCING THE IMPLEMENTATION OF EDUCATION, TRAINING, PUBLIC AWARENESS, PUBLIC PARTICIPATION AND PUBLIC ACCESS TO INFORMATION TO ENHANCE ACTIONS UNDER THE PARIS AGREEMENT:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.22).

**GENDER AND CLIMATE CHANGE:** In plenary, the SBI adopted conclusions (FCCC/SBI/2017/L.29). Costa Rica, for AILAC, noted the historic adoption of the UNFCCC's first gender action plan, emphasizing that gender issues in the Global South are a "matter of life and death."

**SBSTA**

**DEVELOPMENT AND TRANSFER OF TECHNOLOGIES: Technology Framework under Agreement Article 10.4:** In plenary, the SBSTA adopted conclusions (FCCC/SBSTA/2017/L.22).

**AGRICULTURE:** In plenary, the SBSTA adopted conclusions (FCCC/SBSTA/2017/L.24) and a draft decision for consideration by the COP (FCCC/SBSTA/2017/L.24/Add.1).

**RESEARCH AND SYSTEMIC OBSERVATION:** In plenary, the SBSTA adopted conclusions (FCCC/SBSTA/2017/L.21).

**METHODOLOGICAL ISSUES UNDER THE CONVENTION: Common Metrics to Calculate the Carbon Dioxide Equivalence of GHGs:** In plenary, the SBSTA adopted conclusions (FCCC/SBSTA/2017/L.19).

**Bunker Fuels:** In plenary, the SBSTA adopted conclusions (FCCC/SBSTA/2017/L.20).

**MODALITIES FOR THE ACCOUNTING OF FINANCIAL RESOURCES PROVIDED AND MOBILIZED THROUGH PUBLIC INTERVENTIONS IN ACCORDANCE WITH AGREEMENT ARTICLE 9.7:** In plenary, the SBSTA adopted conclusions (FCCC/SBSTA/2017/L.23).

**LOCAL COMMUNITIES AND INDIGENOUS PEOPLES PLATFORM:** Informal consultations were co-facilitated by SBSTA Chair Carlos Fuller (Belize), who noted that parties had agreed to the platform's purpose and functions, but not the modalities and structure. He proposed an additional paragraph that captures progress made in informal consultations and outlines a way forward. A number of parties expressed their eagerness to operationalize the platform at this COP and requested further time to continue work in informal informals. One developed country group expressed concern about establishing a long time frame for negotiating the operationalization of the platform. Informal informals met throughout the day.

**SBSTA/SBI**

**MATTERS RELATING TO LDCs: REPORT OF THE ADAPTATION COMMITTEE:** Richard Merzian (Australia) co-facilitated this joint informal consultation session where parties considered proposed joint draft conclusions for the report of the Adaptation Committee and matters relating to the LDCs, as well as two informal notes. Several parties noted that the informal notes did not reflect all views expressed by parties in a balanced manner and urged for discussions on content rather than procedure at SB 48. Parties accepted the draft conclusions as presented, and agreed to attach the informal notes as long as they would include language stating they do not reflect the views of all parties.

**JOINT PLENARY:** A joint SBSTA/SBI plenary convened to hear statements.

The EU welcomed progress, especially related to, *inter alia*: agriculture; the gender action plan; and the focus on oceans in the conclusions on research and systemic observation.

Australia, for the UMBRELLA GROUP, expressed satisfaction with the finalization of the gender action plan, and noted this is a strong outcome for women and the climate. He also applauded the approval of the budget.

Maldives, for AOSIS, called for operationalizing the WIM so that it fulfils its original vision and delivers for people on the ground.

Ethiopia, for the LDCs, expressed concern at a lack of inclusivity, transparency, and time to participate in negotiations on matters relating to LDCs and regretted that text in the draft conclusions was not discussed in negotiations.

CAN said the draft decision on loss and damage falls short on provisions for finance, and expressed hope that the COP Presidency will work to establish a clear pathway for the financing of loss and damage to benefit the most vulnerable.

CJN! said approaches like carbon capture and storage (CCS), bioenergy, geoengineering, and Agreement Article 6 market approaches "will do nothing" to keep temperature increase below 1.5°C and called for quantifiable finance commitments, especially on loss and damage.

FARMERS said the operating entities of the Financial Mechanism need to assign higher priority to agriculture and called for ensuring participation of civil society, especially farmers and farmers' NGOs, in the negotiations.

LGMA stated that the constituency will continue to engage with the Adaptation Fund Board on adaptation projects and improving monitoring of adaptation impacts using local and regional metrics.

RINGOs said researchers can help illuminate values that lie beneath negotiating issues and noted that the constituency is committed to contributing to capacity building and training.

The Food and Agriculture Organization of the UN (FAO) welcomed the draft COP decision requesting SBI/SBSTA to jointly address issues related to agriculture and said the FAO would provide technical inputs and support.

WOMEN AND GENDER congratulated parties on the adoption of the first gender action plan under the UNFCCC, supported the local communities and indigenous peoples' platform, and opposed CCS, geoengineering, and agriculture- or forest-based carbon markets.

YOUNGOs welcomed, *inter alia*, the decisions on agriculture, and on education, training, public awareness, public participation and public access to information, and hoped the COP 23 President's Ocean Pathways initiative could become part of the UNFCCC workplan.

BINGOs welcomed progress, but called for more clarity on Agreement Article 6 and broader engagement with business on the Technology Mechanism.

**IN THE CORRIDORS**

On Tuesday, huddles multiplied throughout the World Conference Center Bonn, inside informal consultations and spilling out into the corridors. Chairs and facilitators pleaded for progress as delegates tried to find the middle ground and the right words. The schedule was also in flux, as one delegate noted she had spent most of the morning walking the venue, hoping to find the right room at the right time. The huddles proved effective, however, as both the SBI and SBSTA gaveled through several conclusions and decisions in rapid succession and delegates worked into the evening in the APA contact group, tentatively agreeing to text that will guide work in the months to come.

With the imminent arrival of heads of state and government and ministers for the high-level segment, pressure is mounting to demonstrate that the Paris Agreement work programme is on track. Yet other issues, particularly loss and damage, seemed to be "out of touch with on-the-ground realities," in the views of many observers and developing countries. Perhaps, some wondered, such important, "political, not technical issues, should instead be handled by the COP." Such suggestions may mean that ministers find themselves rolling up their sleeves to help guide negotiations.