

Bonn Highlights: Tuesday, 1 May 2018

The Bonn Climate Change Conference continued on Tuesday, with negotiations on the Paris Agreement Work Programme (PAWP) as the day's main focus. Topics discussed included finance, mitigation, transparency, global stocktake, and adaptation, as well as the committee to facilitate the Paris Agreement's implementation and promote compliance. These discussions took place under the APA, SBI, and SBSTA through various contact groups and informal consultations. Three workshops were held throughout the day on:

- economic modelling tools related to the work programme on response measures;
- the Local Communities and Indigenous Peoples (LCIP) Platform; and
- education, training, public awareness, public participation, and public access to information to enhance actions under the Paris Agreement (ACE workshop).

APA

Contact group: During the morning contact group, parties agreed to convene informal consultations on all substantive agenda items.

APA Co-Chair Jo Tyndall (New Zealand) clarified that the informal notes prepared during APA 1-4 do not preclude consideration of additional elements. She assured that adequate time would be allocated to all matters under item 8 (further matters related to implementation of the Paris Agreement) and clarified that the annotated agenda's reference to "possible additional matters" reflects parties' divergent views of whether these matters will be taken up. TIMOR LESTE suggested that item 8 could provide a space to discuss loss and damage.

Australia, for the UMBRELLA GROUP, emphasized that the complexity of agenda items should determine their allocated negotiating time. Maldives, for AOSIS, underscored the need for adequate space to consider interlinkages and cross-cutting issues. Saudi Arabia, for the ARAB GROUP, expressed concern that some agenda items have matured while others have stalled. Egypt,

for the G-77/CHINA, asked the Co-Chairs to explain the added value of their proposed heads of delegation meetings. Gabon, for the AFRICAN GROUP, suggested that such meetings could help parties to understand and resolve political issues.

Adaptation communication: During informal consultations, several developing country groups emphasized the importance of sufficient time to discuss support, and addressing the entire adaptation communications cycle, including preparation, submission, implementation, and updating of the communications.

Discussions then focused on the structure of the draft decision text, with a group of developing countries proposing an organizing format. Parties disagreed on whether to base discussions on the proposed structure. Some parties suggested that the Co-Facilitators should first "clean up" the text to remove duplication and clarify options, before rearranging content. Other parties underscored the limited negotiating time and the need to move forward quickly.

Global stocktake: During informal consultations, some parties identified elements missing from the informal note from the previous session, including references to loss and damage, best available science, sustainable development, and the UNFCCC principles. Parties sought additional clarification on: governance structure; the technical phase's three workstreams of mitigation, adaptation, and means of implementation and support; linkages to other elements of the Paris Agreement; and timing of the stocktake's three phases. Some parties requested that the Co-Facilitators clarify which ideas in the informal note cannot coexist and that they reorganize these ideas as options.

Other matters except the Adaptation Fund: Informal consultations focused on which body should provide guidance to the Global Environment Facility and Green Climate Fund (GCF) under the Paris Agreement. A group of countries proposed that the Standing Committee on Finance (SCF) prepare draft guidance for these funds. Parties diverged on whether the SCF is already mandated to provide guidance or whether it needs a request from the CMA. One party said that such a mandate should follow three principles: availability of resources to all; transparency; and depoliticization of the process. One group, supported by a

party, emphasized that the mandate for the informal consultations is to discuss procedural matters and not substance, saying that discussing principles is “inappropriate.”

Issues related to the Adaptation Fund: During informal consultations, parties welcomed the COP 23 outcome that the Adaptation Fund shall serve the Paris Agreement, subject to decisions to be taken at CMA 1-3. One party highlighted remaining sensitivities. Parties agreed that this session should aim to deliver: textual elements for a possible decision related to the Adaptation Fund serving the Paris Agreement; and a possible landing ground and options for the Fund’s serving of the Agreement, including with regard to governance and institutional arrangements, safeguards, and operational modalities. Parties were invited to submit written inputs on these questions.

Committee to facilitate the Agreement’s implementation and promote compliance: During informal consultations, parties shared views on the informal note and the proposed method of work. Many parties welcomed the informal note from APA 1-4 and supported its elaboration with textual narratives, removing duplications and synthesizing options, and advancing discussion on institutional arrangements.

Many parties highlighted the need for further discussion on linkages with other elements of the PAWP. Several parties supported further considering the committee’s initiation, measures, and scope, with some parties suggesting these as a package, and others suggesting that measures and scope be considered through the frame of initiation. Parties agreed on the need to work with practical and concrete examples.

Transparency framework: Informal consultations focused on the workplan for this session with discussions starting from the previous session’s informal note. Parties agreed, *inter alia*, to: identify the different options contained in the informal note in as clear and concise a manner as possible, including how to provide flexibility to certain developing countries; discuss the legal nature of the modalities, procedures, and guidelines of the transparency framework; capture elements necessary to include in COP 24 decisions; further their understanding on interlinkages with other PAWP items; and ensure time and space to allow a clear understanding of parties’ views on a range of issues. Parties registered broad support for revising portions of the informal note as discussions progress, and the tracking of “light touch” changes to the note.

Views diverged on the feasibility and desirability of organizing “informal informal” discussions on this item, with delegations being encouraged to engage in “informal informal informals.”

SBSTA

Modalities for the accounting of financial resources (Agreement Article 9.7): During the contact group, parties considered the Co-Chairs’ informal note. South Africa, for the G-77/CHINA, urged moving towards textual negotiations, while the US, supported by NORWAY, SWITZERLAND, and AUSTRALIA, preferred discussing elements of the informal note before starting textual negotiations. The Co-Chairs proposed converting the informal note into “a textual narrative.” A number of developed countries objected while a number of developing country groups agreed. Co-Chair Delphine Eyraud (France) suggested that the next meeting focus on multilateral channels and private finance, and invited parties to make textual proposals.

Agreement Article 6.4 (mechanism): Parties considered the SBSTA Chair’s informal document containing draft elements of the rules, modalities, and procedures for the mechanism under Agreement Article 6.4.

During this read-through, parties posed questions, with the Co-Facilitators and the Secretariat providing answers. Issues discussed included: why the informal documents on Agreement Article 6.2 (cooperative approaches) and Article 6.4 differ on elements such as principles, preambular text, participation requirements, and eligibility; the basis for elaborating on governance functions of the supervisory body; and differences between the third iteration of the Co-Facilitators’ informal note and the SBSTA Chair’s document. During the second read-through, parties will comment on the SBSTA Chair’s document.

SBI

Public registry referred to in Agreement Article 4.12 (NDC registry): During informal consultations, parties considered the informal note from SBI 47. They agreed that the Co-Facilitators prepare a draft informal note and draft conclusions after the second meeting.

On the interim NDC registry, some parties characterized the search function, with the possibility of searching keywords across countries’ NDCs, as “intrusive” and going beyond the registry’s mandate. Others disagreed, highlighting that it enhances the comparability of information.

Parties also diverged on whether to discuss the NDC registry jointly with the public registry under Agreement Article 7.12 (adaptation communication).

Agreement Article 9.5 (developed countries’ biennial *ex-ante* financial communication): During informal consultations, it was suggested that this session should produce draft COP decision text.

One group stressed that a decision on Agreement Article 9.5 could fill a “lacuna in the process” on climate finance, and another identified finance as a key performance indicator for COP 24.

Parties agreed that the informal note and the summary report of the roundtable provided a sound basis for discussions. A number of parties proposed fleshing out the elements, while others stressed the importance of moving towards an outcome.

Scope and modalities for the periodic assessment of the Technology Mechanism (TM): During informal consultations, the goal of finalizing the agenda item by COP 24 was highlighted.

Parties agreed to use the informal note as a basis for discussions. Some developed countries opposed discussing the scope of the periodic assessment, noting it had been agreed at SBI 44. Some developing countries disagreed, saying the proposed discussions weighed too heavily toward assessing the TM's effectiveness, and not enough towards adequacy of support. Parties were assured that both scope and modalities would be discussed, though ultimately there was no agreement on which would be taken up first.

Training workshop on economic modelling tools

The in-forum training workshop of the forum on the impact of response measures continued throughout the day focusing on the use of economic modelling tools.

Kirsten S. Weibe, Norwegian University of Science and Technology, simulated the effects of an uptake of renewable energy technologies in the EU, and found positive employment impacts, apart from in countries exporting fossil fuel to the EU. Zhou Xin, Institute for Global Environmental Studies, discussed modelling results concerning the impacts of Japan's carbon tax, showing that the tax itself would have competitiveness impacts in select sectors, but these could be reduced to low levels by a border carbon adjustment.

A report of the workshop will be forwarded to SB 49.

Multi-stakeholder workshop of the LCIP Platform

Throughout the day, a multi-stakeholder workshop of the LCIP Platform took place, moderated by SBSTA Chair Watkinson and Roberto Múkaró Borrero, Taíno.

Opening the afternoon session, Watkinson stressed the focus would be on how to take the Platform forward.

Rodion Sulyandziga, Center for Support of Indigenous Peoples of the North, Russia, discussed indigenous capacity-building programmes in UN bodies. He stressed, *inter alia*, the importance of financial resources and the importance of capacity building at all levels, including the national.

Rita Mishaan, Guatemala, highlighted the relevance of the Paris Committee on Capacity-building and said that the Durban Forum on Capacity-building will also discuss the LCIP Platform. She stressed the importance of integrating ancestral knowledge into the UNFCCC process, and the need for financial resources.

Issues highlighted during the afternoon discussion included: provisions concerning, and experiences from, indigenous peoples' participation under Peru's new Climate Change Act; the need for a dynamic partnership between states and indigenous peoples; and the importance of financial resources, and engaging indigenous

peoples at all levels. Participants also stressed that a rights-based approach can lead to more ambitious climate action, and called for a "safe space" for human rights defenders to participate in the UNFCCC process. It was highlighted that the LCIP Platform is "only as good as the level of indigenous peoples' participation" in it. The workshop continued into the evening.

ACE Workshop

The ACE workshop, co-facilitated by Deo Saran (Fiji) and Ana Maria Kleymeyer (Micronesia), convened throughout the day in plenaries and break-out groups.

In the afternoon, presentations focused on good practices and lessons learned related to cross-cutting ACE issues. Alice Gaustad, Norway, reported on lessons learned from reporting on ACE in her country's seventh national communication. Victor R. Viñas Nicolas, Dominican Republic, explained his country's approach, including integrating ACE into its NDC and developing a national ACE strategy. Erika Lennon, Climate Action Network, highlighted: the need to mainstream ACE; positive case studies demonstrating that ACE leads to more sustainable outcomes; and the importance of integrating ACE throughout all aspects the Paris Agreement's implementation. Yunus Arikan, ICLEI-Local Governments for Sustainability, presented on the role of local and regional governments in implementing ACE, highlighting their proximity and accountability to citizens. Emlyn Koster, North Carolina Museum of Natural Sciences, spoke about the role and responsibility of museums in communicating climate change. Henry Mcghie, Manchester Museum, noted his intention to promote ACE in the future work of the museum.

Break-out groups then convened on cross-cutting ACE issues, including: synergies and linkages among ACE-related international frameworks; mainstreaming ACE into NDCs and national adaptation plans; assessing and monitoring ACE; the role of non-party stakeholders in implementing ACE; and international cooperation, partnerships, and funding.

In the Corridors

Informal consultations on a number of issues under the Paris Agreement Work Programme were held throughout Tuesday. As the issues are scattered across three different bodies - the APA, SBI and SBSTA - some delegates were heard arguing for a "helicopter view" of progress. Many feared that without equal progress across all three bodies and close coordination among their Chairs, the "careful balance" struck in Paris could be lost. Others, however, worried that too strong an emphasis on equal progress would allow the "lowest common denominator" to set the pace of negotiations.

With parallel sessions multiplying, and the heavy and interlinked workload of the next two weeks setting in, many parties wondered whether they would be able to balance the need to go "full throttle," while maintaining the Paris Agreement's spirit and intent.

