

## Bonn Highlights: Tuesday, 18 June 2019

The Bonn Climate Change Conference continued on Tuesday. Contact groups and informal consultations met on a range of issues, including the budget, methodological issues under the Paris Agreement, Article 6 (market and non-market approaches), loss and damage, and response measures. Workshops on the Koronivia Joint Work on Agriculture and gender also took place.

### SBI

**Reporting from Non-Annex I Parties: Terms of reference (TOR) of the Consultative Group of Experts (CGE):** During informal consultations, co-facilitated by Sin Liang Cheah (Singapore) and Getraud Wollansky (Austria), parties suggested elements for an updated TOR according to the outcomes of COP 24, which extend the term of the CGE for eight years. These included: using the current TOR as starting point; enhancing current provisions based on lessons learned and relating them to the enhanced transparency framework; and allowing for an update of the TORs after four years. One group noted the need for Secretariat support and financial resources given the CGE's expanded mandate. Some cautioned against including a timeline for when the CGE's work will shift from biennial update reports to biennial transparency reports (BTR), with one noting that LDCs and SIDS have flexibility on the introduction of BTRs. The Co-Facilitators will prepare a draft text.

**Matters related to the Adaptation Fund: Membership of the Adaptation Fund Board:** Co-Facilitator Fiona Gilbert (Australia) invited initial views. Palestine, for the G-77/CHINA, supported a procedural decision to avoid re-configuring the Board. Argentina, for ARGENTINA, BRAZIL, and URUGUAY, favored a decision that confirms the eligibility of all Paris Agreement parties. Uganda, for the LDCs, with Switzerland for the EIG, called for clarity on board composition when the Adaptation Fund exclusively serves the Paris Agreement. The EU, with the US, called for a "future proof" decision. SAUDI ARABIA expressed willingness to change the Board's composition if the Adaptation Fund were to receive share of proceeds from Article 6.2 (internationally transferred mitigation outcomes) in addition to Article 6.4 (mechanism). The AFRICAN GROUP noted the prerogative of regional groups to decide nominations. Parties diverged on the need to re-visit board composition. Parties were invited to submit their views as submissions.

**Administrative, Financial, and Institutional Matters:**  
**Programme budget for the biennium 2020–2021:** The Secretariat presented the proposed budget, noting that it focused on delivering on decisions and mandates, as well as providing predictable and adequate resources.

Parties expressed their priorities and differing concerns about the balance of funds between the core budget and the supplementary budget. Many pressed for balance in the allocation of resources. Some praised the Secretariat's increasingly "bottom-up" approach to budget creation. One party raised concerns about collecting outstanding contributions, and pressed for different scales of contribution for parties which are party to the Convention, but not to the Paris Agreement. Another suggested introducing positive incentives for contributors, noting that an increase in the budget should not compensate for lack of contributions. Discussions will continue.

### SBSTA

**Matters Relating to Science and Review: Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C:** Annela Anger-Kraavi (Estonia) and Ladislaus Chag'a (Tanzania) co-facilitated informal consultations. Many parties welcomed the report and lauded the efforts of the IPCC to deliver "robust and useful" science under significant constraints, with some highlighting how the report has already influenced individual national policies.

Some called for a "substantive interaction" while others suggested a series of workshops based on the report's major sections. One party argued against discussing the report further.

Parties rejected the Co-Facilitators' proposal to propose draft conclusions. They agreed to further discussions concerning the report's content.

**Methodological Issues Under the Paris Agreement:** Informal consultations on these sub-items were co-facilitated by Xian Gao (China) and Helen Plume (New Zealand).

**Common reporting tables (CRTs) for reporting information in the national inventory reports of emissions by sources and removals by sinks:** Several parties agreed that the current common tabular format be used as a starting point for working on CRTs, and additional burdens and needs for flexibility and capacity building should be addressed according to the modalities, procedures, and guidelines (MPGs) for the transparency framework.

On how to reflect flexibility in the tables, parties suggested referring to the MPGs' flexibility provisions in the CRTs to inform reviewers where national reports applied a flexibility provision. Others suggested the possibility of different tabular formats. Some stressed the complementary nature of the summary tables. On flexibility for using CRTs to report by 2024, one party suggested a phased approach, which could be linked to capacity building and support provided during that transition.

On capacity building, some stressed the need for access and training to use current reporting software. Several noted the usability of current software, adaptability to national needs, and

possible linkage to IPCC reporting tools. Others stressed that information can be aggregated and linked to Agreement Article 15 (implementation and compliance mechanism). Discussions will continue with focus on the content and structure of the CRT.

**Common tabular formats for reporting information necessary to track progress made in implementing and achieving NDCs:** Parties agreed to organize their work for this sub-item by first defining the scope of discussions, including which elements of the MPGs (chapter 3 on tracking progress) will be presented in a tabular format or a narrative. Parties also agreed to capture progress in an informal note.

Several developed countries cited current reporting tables as useful starting points. Some developing countries noted the need to modify these tables to accommodate all types of NDCs.

All noted that there is no template for the structured summary on progress. Some supported a table with quantified information, or a mix of qualitative and quantitative information. One developing country supported allowing countries to choose how to present the information.

Several developing country parties observed that Article 6 discussions were ongoing, and favored allowing them to conclude first. Some developed countries noted that the MPGs provide guidance for information to be reported. Discussions suspended, pending decision on how to manage the interlinkages with Article 6.

**Article 6:** SBSTA Chair Paul Watkinson chaired the contact group. He proposed work on the three sub-items in informal consultations, with spin-off groups as necessary. Parties supported the proposal, with many noting the need to avoid parallel spin-off groups.

On linkages with the transparency framework, Saudi Arabia, for the LMDCs, Egypt for the ARAB GROUP, SOUTH AFRICA, and SENEGAL urged avoiding overlap. BRAZIL proposed either avoiding discussion in the transparency group on Article 6 issues or moving the discussions to this item. Tuvalu, for the LDCs, sought reassurance that transparency discussions would not pre-empt work on Article 6. The US, the EU, AUSTRALIA, CANADA, and NEW ZEALAND noted the need to respect the groups' mandates and asked the Chair to "coordinate" ongoing work. NORWAY said the Katowice decision on transparency was clear on the need for consistency with discussions in Article 6. The LMDCs proposed putting the discussion on Article 6 occurring in the transparency negotiations on hold until Article 6 is resolved. Chair Watkinson suspended discussion and said he would convene a heads of delegation meeting to reach agreement on the way forward.

### **SBSTA/SBI**

**Forum on the Impact of the Implementation of Response Measures:** Delano Verwey (the Netherlands) and Xolisa Ngwadla (South Africa) co-chaired the contact group. SBI Chair Dlamini said that he expected the group to produce recommendations on the forum's six-year work plan with clear outputs and timelines.

Birgit Aru, Co-Chair of the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI), reported diverging views in the KCI on the work plan. She said discussions focused on: enabling climate action consistent with available science and the Paris Agreement; sharing best practices and experiences; and capacity building for assessing impacts and informing policies.

Co-Chair Ngwadla proposed a synthesis presentation by the Secretariat on the submissions. Saudi Arabia, for the G-77/CHINA, with Ghana, for the AFRICAN GROUP, the MALDIVES, CHINA, and INDIA supported the proposal. NORWAY, the US, AUSTRALIA, JAPAN, and CANADA preferred to hear from parties directly. Discussions will continue.

**Scope of the Next Periodic Review of the Long-term Global Goal under the Convention and of Overall Progress towards Achieving it:** Leon Charles (Grenada) and Madoko Yoshino (Japan) co-facilitated informal consultations. Participants exchanged initial views on the scope of the next review of the long-term global goal, with many parties celebrating the strategic relevance, science-based interface, and outputs of the 2013-2015 periodic review.

Many parties cautioned against reassessing the adequacy of the long-term global goal, and others stressed that the scope of the review should focus exclusively on how to achieve the goal. Concerns were raised about duplication of work between the periodic review and the Paris Agreement's global stocktake. Some noted synergies and suggested that the processes are complementary, in that the results of the periodic review could feed into the global stocktake.

**TOR for the 2019 Review of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (WIM):** In informal consultations, co-facilitated by Marianne Karlsson (Norway) and Pepetua Latasi (Tuvalu), parties shared initial views on the mandate of the review and elements of the TOR, including: objectives, input, process, modalities, timeline, and expected outcomes. On objectives, one group stressed ensuring the WIM can fulfill its function including identification of further actions and arrangements. On inputs, one group called for considering lessons learned.

Many supported a forward and backward looking review. One cautioned against reexamining previous decisions. Another said the review should help achieve the implementation of COP decisions. Many agreed to refrain from discussing governance issues before COP 25.

An observer stressed the need to operationalize the WIM with financial resources starting with USD 50 billion and USD 300 billion annually by 2030. Informal informal consultations will convene.

**Koronivia Workshop on Agriculture:** Milagros Sandoval (Peru) and Heikki Granholm (Finland) co-facilitated the resumed workshop on methods and approaches for assessing adaptation, adaptation co-benefits, and resilience.

Janie Rioux, Green Climate Fund, shared lessons learned in funding agricultural adaptation, including the importance of basing projects on climate science; clearly defining objectives; and measuring adaptation co-benefits. Chizuru Aoki, Global Environment Facility, noted the challenge of including the indirect, often unquantifiable nature of some adaptation processes in agriculture. Cristina Dengel, Adaptation Fund, presented examples of work in India, Eritrea, Uruguay, and Morocco.

In discussion, participants exchanged views on the limited farmer involvement in national agriculture projects, the difficulty of procuring funding for countries experiencing gaps in climate analysis capacity, and on defining criteria for climate resilience. Participants also heard views from farmers, gender, youth, and local communities and indigenous peoples.

### **In the Corridors**

The Article 6 room heated up quickly on Tuesday. As the only major Paris Rulebook issue left unresolved in Katowice, parties found themselves locked in positions on how to navigate Article 6 issues under the transparency discussions in a manner that doesn't pre-judge Article 6 outcomes. To break the logjam, heads of delegation were recruited to troubleshoot, ultimately landing on agreement to "deprioritize" Article 6 discussions in transparency. One "HOD" recalled the familiar mantra "nothing is agreed until everything is agreed" as he left the meeting in the evening.