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BONN CLIMATE CHANGE CONFERENCE: 3 JUNE 2015

The Bonn Climate Change Conference continued on Wednesday, 3 June. ADP negotiating groups took up the first reading of the sections on time frames, and implementation and compliance in the Geneva negotiating text in the morning, and the preamble, and procedural and institutional provisions in the afternoon. Informal facilitated group discussions on these issues and adaptation and finance took place. The TEM on renewable energy supply convened throughout the day.

A number of informal consultations convened under the SBI and SBSTA. The first part of the 4th meeting of the Durban Forum on Capacity-building took place in the morning. In the afternoon, the second session of the 3rd Dialogue on Convention Article 6 (education, training and public awareness), and an in-session workshop on the assessment of risk and vulnerability of agriculture systems to different climate change scenarios at regional and local levels, including but not limited to pests and diseases, convened.

ADP

NEGOTIATING GROUPS: Time Frames: The negotiating group was chaired by ADP Co-Chair Ahmed Djoghlaf. Co-facilitators Georg Børsting (Norway) and Artur Runge-Metzger (EU) reported respectively on the finance and capacity building facilitated group sessions that took place on Tuesday, 2

On finance, Børsting reported that work on additional paragraphs will continue. On capacity building, Runge-Metzger said parties made swift progress working through the entire section, highlighting some substantive issues that require further discussion.

Discussions then turned to time frames. NEW ZEALAND observed the structure of the section could be clarified. and noted, with the EU, the link between the sections in the negotiating text on time frames and mitigation. With AUSTRALIA, he underscored that unpacking some of the concepts in the section on time frames would be valuable. Co-Chair Djoghlaf said this could be addressed during the ADP stocktaking session on Thursday, 4 June.

The LMDCs presented proposals for consolidation of paragraph 168 on commitments/contributions/actions/scope of implementation and ambition.

On merging chapeau options 1 and 2, the LMDCs explained the consolidation preserves the ideas on: periodic communication, and updating commitments and contributions; the "role of developing countries" in the context of support; and what considerations will be taken into account. BRAZIL supported the proposal.

On merging sub-options a, b, c, f and k, the LMDCs reasoned these all describe the "basic ideas" of: updating communication; five-year terms; and coverage of periodic commitments. AUSTRALIA and the EU opposed, with the EU saying the proposal would not create the clarity required for coherent political discussions. The LMDCs also proposed merging suboptions d and e. AUSTRALIA, opposed by CHINA and INDIA, suggested merging sub-options h and l.

On paragraph 174, the LMDCs explained that merging option 1 sub-options a and b preserves: the "why" of up-front information; the basis of the arrangement, namely the BAP; and the description of considerations that inform contributions. Parties discussed placement of brackets and reference to future decisions in the proposal.

On paragraph 176 on an ex ante consideration process, the LMDCs proposed merging two brackets in option a subparagraph a, and two brackets in sub-paragraph b.

Parties also agreed to address areas of overlap and duplication, as identified by the Secretariat, in the facilitated group, including in paragraphs: 169 and 171 on revision and updating of contributions/commitments; 173 on the scope of commitments/contributions; 178 on the formalization/finalization of commitments/contributions; 180 on procedure for upward adjustment; and 192 on the modalities for the governing body.

Furthermore, parties agreed to discuss proposals by NEW ZEALAND to merge options 1 and 2 under paragraph 176 on no ex ante consideration process, and removing internal repetition under option 3 on an ex ante consideration process.

Implementation and Compliance: Co-facilitators Fook Seng Kwok (Singapore) and Tosi Mpanu Mpanu (the Democratic Republic of the Congo) reported respectively on the facilitated group discussions on transparency and technology, held on Tuesday, 2 June.

On transparency, Kwok reported some progress in consolidating the text. He said the conceptual discussion on differentiation in relation to transparency had been "rich in substance" and that delegates wished to continue with it.

On technology, Mpanu Mpanu reported that the group consolidated all paragraphs it was asked to consider, noting it could have moved beyond streamlining, had it been mandated to do so. He also asked for clarifications on the use of "/" in the negotiating text.

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Co-Chair Reifsnyder explained that "slashes" were used in the Lima text to indicate alternative formulations. He suggested this issue be taken up in the ADP stocktaking plenary, together with the question of whether or not to move beyond mechanical streamlining.

Sudan, for the AFRICAN GROUP, requested a new paragraph be included in the negotiating text. Co-Chair Reifsnyder explained parties would have to be consulted on whether new text could be added.

On implementation and compliance, Co-Chair Reifsnyder noted that parties might draw on experience with the multilateral consultative process under Convention Article 13 (resolution of questions regarding implementation). The EU announced, and delegates agreed to work with, its proposal to consolidate paragraphs within option I, including: 194 chapeau options 1 and 2 on facilitating compliance; 194 sub-options 1-4 on a governing body, and 5-6 on a compliance mechanism/committee; and parts of 194 sub-option 8 d on measures and/or consequences.

Delegates agreed to consider streamlining suggested by the Secretariat within option I, paragraph 194 sub-options 8 a and c on arrangements. Parties agreed to forward the above-mentioned paragraphs to the facilitated group.

Preamble: ADP Co-Chair Reifsnyder chaired discussions. CANADA and the US, opposed by PAKISTAN and INDIA, suggested considering preambular text at a later stage of negotiations. CHINA proposed to continue technical streamlining and consider discussions on preambular language that is "mature" for discussion, while holding off on "premature" preambular sections.

Parties then considered opportunities for consolidation identified by the Secretariat, and agreed to forward to the facilitated group the following proposals on: preambular paragraph 4 options a and b on guiding principles of the agreement; preambular paragraph 10 options a, b and c on the widest possible cooperation of all parties; preambular paragraph 15 options a and b on required deep cuts in global GHG emissions; preambular paragraph 17 options a and b on scenarios consistent with the 2°C or 1.5°C temperature goal; and preambular paragraph 21 options a, b and d on addressing the global challenge of adaptation with the same urgency as mitigation.

Procedural and Institutional Provisions: Discussions were chaired by ADP Co-Chair Djoghlaf and focused on the Secretariat's proposals for consolidation. No objection was made to the merging of options 1 and 2 in paragraph 223 on withdrawal.

On the Secretariat's proposal to combine, in paragraph 215 on signature, ratification approval and accession, sub-paragraphs 3 and 4 on actions by regional economic integration organizations and on groups of parties, the RUSSIAN FEDERATION and the EU said the proposal mixes concepts and does not reduce the length of the text. Parties agreed the two sub-paragraphs will remain separate.

On paragraph 216 on entry into force, parties considered merging sub-paragraphs 216.1 and 216.2 into a single sub-paragraph with options on either entry into force by 2020 or potentially before 2020. Parties agreed to further consider this proposal, as well as a proposal by China on these sub-paragraphs.

The above-mentioned paragraphs, except sub-paragraphs 3 and 4 in paragraph 215, were forwarded to the facilitated group.

TEM ON RENEWABLE ENERGY SUPPLY: ADP Co-Chairs Reifsnyder and Djoghlaf opened the meeting, explaining that, in conjunction with the TEM, the Secretariat has organized a Climate Action Fair, including side events, exhibits, a dialogue series, a networking reception and a virtual expo.

Mali, for the G-77/CHINA, called for linking opportunities demonstrated by the TEM to action on the ground, and Maldives, for AOSIS, called for the TEM to result in tangible action items.

TEM Moderator Amit Kumar, TERI University, introduced the keynote speakers. Angela Churie Kallhauge, International Renewable Energy Agency (IRENA), reported that to stay within a 450ppm scenario, fossil fuel substitution must yield 8-10 Gt of carbon dioxide emission reductions per year by 2030. She said 164 countries have renewable energy targets, but more effort is needed to make these targets enforceable. Thomas Spencer, Institute for Sustainable Development and International Relations, emphasized that deep decarbonization is financially and technologically feasible.

Policy, Practices and Action – Unlocking Potential on the Ground Now: During this session, panelists reflected on: the United Arab Emirates' renewable energy strategies; a Brazilian technology that produces sugar ethanol that is seven times less polluting than traditional ethanol; the role of a long-term policy framework, including a US\$130/ton carbon tax and an electricity certificate scheme in Sweden in increasing the renewable energy share to over 50%; and the increasingly strong business case for renewable energy investment.

Leveraging Scalable, Replicable and Transformative Support Efforts: Angus McCrone, Bloomberg New Energy Finance, presented on accelerating the clean energy transition. He highlighted decreasing costs of renewable energy technologies and that low interest rates are facilitating the deployment of renewable energy in Europe and other developed economies.

The session continued in two groups. Sourabh Sen, Astonfield Renewable Resources, moderated the group on distributed generation. Participants heard presentations on the TEC, the GCF, hybrid power plants in Mali, and business models for distributed generation. Discussions addressed: the importance of an appropriate legal framework; the lack of local developers; and the role of the private sector in contributing to GCF projects.

Ned Helme, Center for Clean Air Policy, moderated the group on policies and financial incentives, including feed-in tariffs (FiTs). Panelists presented on: engaging with the financial sector in the context of policy development; the UK's small-scale FiT scheme; South Africa's Renewable Energy Independent Power Producer Procurement Programme; and Chile's experience in engaging commercial banks in the sector. Discussions raised issues related to, *inter alia*: ways the GCF can supplement private financing; energy security; and fossil fuel subsidies.

More and Faster Renewable Energy Now through the 'Accelerator Partnerships' - Turning Potential into Action on the Ground: Presentations during this session covered: the African Group renewable energy proposal under the Durban Platform negotiations; IRENA's SIDS Lighthouses Initiative; the European Investment Bank Global Energy Efficiency and Renewable Energy Fund; and the Renewable Energy Policy Network for the 21st Century.

During the discussion, participants were asked to consider: what the UNFCCC process can do to help parties harness renewable energy potential, implement policy actions, and scale up existing pre-2020 implementation efforts; and what could be the next steps in the technical examination of policies, actions and technologies for accelerating renewable energy action.

MALI suggested that, if the UNFCCC can be considered a toolbox, the GCF is probably the most tangible way to tap its resources. In response to a question from the EU, he clarified that the African Group renewable energy proposal is not a separate initiative, but rather intends to accelerate existing initiatives' progress toward their goals.



INDIA raised questions on how the UNFCCC might help countries meet the costs of acquiring technology, such as intellectual property rights and licensing fees, and the cost of capital. Respondents suggested that the costs of acquiring technology might be an area the GCF could address and reported that investors are slowly lowering their rate of return expectations.

MALDIVES suggested that specific recommendations on the issues raised in the renewable energy TEMs be incorporated into the summary for policymakers. He echoed that access to affordable capital continues to be a stumbling block and suggested launching a renewable energy facility, as well as an initiative on UNFCCC "inter-agency coordination."

Closing the session, moderator Kumar summarized the four key points that emerged from the discussion, namely: the challenge of affordability; the need for partnerships to advance their work more quickly; the suggestion that the UNFCCC could help countries access finance at a lower cost; and the need for better coordination among Convention bodies.

SUBSIDIARY BODIES

4TH DURBAN FORUM ON CAPACITY-BUILDING:

Opening the first session of the 4th Durban Forum, SBI Chair Amena Yauvoli said it provides an excellent learning and information-sharing opportunity. UNFCCC Executive Secretary Christiana Figueres suggested that the main purpose of INDCs is to support sustainable growth and economic resilience while reducing emissions and increasing adaptation.

Explaining that the Forum will contribute to the third comprehensive review of the capacity building implementation framework, co-facilitator Makoto Kato (Japan) opened the first session, which addressed capacity building-related work of bodies under the Convention and its Kyoto Protocol.

Representatives of the Consultative Group of Experts on National Communications from non-Annex I Parties, Adaptation Committee, LEG, CDM Executive Board, TEC and CTCN, and Standing Committee on Finance presented on: the work and strengths of their respective bodies in advancing capacity building in developing countries, including training materials, regional workshops, web-based resources and technical guidance; and collaboration with other constituted bodies. Presenters also responded to questions on, *inter alia*: the work of regional centers; institutional memory; capacity building at different levels; and South-South cooperation.

During the second session, experts from multilateral agencies and intergovernmental organizations presented on technical and financial support, and resources available for the preparation of INDCs.

3RD DIALOGUE ON CONVENTION ARTICLE 6:

In the afternoon, the second session convened, focusing on climate change training and international cooperation. Facilitator Katarzyna Snyder (Poland) opened by summarizing lessons from the first session, held on Tuesday, 2 June, including the need to engage more voices from outside the UNFCCC in the Dialogue, in particular educators and decision makers.

Moustapha Kamal Gueye, International Labour Organization, shared lessons from studies and programmes on green jobs, including that climate change and low-carbon policies are expected to result in net gains in employment, but these gains are achieved by design rather than default. He stressed that climate policies should create jobs that meet decent work criteria and advance social inclusion.

Presentations explored, *inter alia*: teacher training in sustainability education in Brazil; solar power sector training in Bangladesh; world-wide citizen consultations; and international cooperation on climate change training, citing best practices from Finland. Break-out working groups also convened.

Concluding the event, SBI Chair Yauvoli suggested that work under Article 6 builds the broad public understanding needed to take the negotiations forward, and the 3rd Dialogue will enable implementing education and training initiatives towards this goal.

IN-SESSION WORKSHOP ON AGRICULTURE:

Opening the workshop, SBSTA Chair Lidia Wojtal encouraged useful exchanges on the assessment of risk and vulnerability of agricultural systems.

Alexander Meybeck, Food and Agriculture Organization of the UN, emphasized challenges in assessing climate change impacts on agriculture, including: downscaled, localized projections; distribution of temperature and precipitation; time horizons; and the need to bridge knowledge gaps.

ECUADOR and the US presented on experiences in assessing risk and vulnerability of agricultural systems to different climate change scenarios at regional, national and local levels, with ECUADOR underscoring the importance of aligning these with broader national strategies.

CHINA and NEW ZEALAND shared views on processes under the Convention facilitating the identification and assessment of risk and vulnerability of agricultural systems. CHINA suggested organizing regular workshops under the NWP or the Adaptation Committee, and establishing regional adaptation centers.

The EU and MALAWI discussed potential areas of synergy among processes under the Convention, facilitating the identification and assessment of risk and vulnerability of agricultural systems. MALAWI emphasized support for: policy harmonization; communication tools; approaches to analyze climate data; processes to strengthen national systems for collecting, analyzing and disseminating data; and regional databases.

IN THE CORRIDORS

On the third day, delegates rolled up their sleeves to informally discuss items on the agendas of the SBI and SBSTA, cognizant of the pressure to "clean the table" as far as possible ahead of COP 21 in Paris.

ADP negotiations on the text for the new agreement kept delegates busy from dawn to dusk. Delegates continued to juggle with the highly technical process of streamlining the negotiating text, painstakingly navigating through a maze of parallel options, sub-options and sub-sub-options. Reflecting on diverging views on punctuation, hyphens and brackets, one participant sighed, "it feels like this mechanical streamlining is not bringing us one bit further." Another delegate rejoined that the level of technicality in the ADP negotiations made it hard to see the big picture, and hoped that Thursday's stocktaking session could signal a move to more conceptual discussions.

Meanwhile, many delegates attending the Technical Expert Meeting (TEM) on renewable energy supply, the Forum on Capacity-building and the workshop on agriculture were enthusiastic about the concrete examples and resources presented, but felt the link to "what happens next" was missing and questioned how to advance on these issues in a useful way. One observer noted that, while the TEM had demonstrated the importance of policy certainty for the private sector, little space had been dedicated to discussing scaling up pre-2020 public finance and political commitments, which "could help provide that certainty."



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