## Earth Negotiations Bulletin

A Reporting Service for Environment and Development Negotiations

### Online at http://www.iisd.ca/climate/cop21/enb/

Vol. 12 No. 655

Published by the International Institute for Sustainable Development (IISD)

Thursday, 3 December 2015

#### **PARIS HIGHLIGHTS:** WEDNESDAY, 2 DECEMBER 2015

On Wednesday, 2 December, COP 21 and CMP 11 convened in plenary to continue opening agenda items. Under the ADP, the contact group continued throughout the day, taking stock of progress in the evening. Spin-off groups and informal informals convened on: adaptation; mitigation; transparency; global stocktake; capacity building; finance; final clauses; purpose; technology development and transfer; implementation and compliance; and workstream 2.

Contact groups and informal consultations under the SBI and SBSTA convened throughout the day.

#### **COP 21 PLENARY**

In the morning, COP 21 Vice-President Cheikh Ndiaye Sylla (Senegal) opened the plenary, reporting that African parties endorsed Morocco to host COP 22, and invited parties from the Asia Pacific and Eastern European regions to identify hosts for COP 23 and 24. Philippe Lacoste (France) will conduct informal consultations.

CONSIDERATION OF PROPOSALS BY PARTIES UNDER ARTICLE 17 OF THE CONVENTION: Parties agreed that, in line with previous practice, this item will be kept open and COP 21 Vice-President Sylla will report to the closing plenary on proposals by Japan (FCCC/CP/2009/3), Tuvalu (FCCC/CP/2009/4), the US (FCCC/CP/2009/7), Australia (FCCC/CP/2009/5), Costa Rica (FCCC/ CP/2009/6) and Grenada (FCCC/CP/2010/3).

CONSIDERATION OF PROPOSALS BY PARTIES FOR AMENDMENTS TO THE CONVENTION UNDER ARTICLE 15: Proposal by the Russian Federation: Parties agreed that Xavier Sticker (France) will conduct informal consultations (FCCC/ CP/2011/5).

Proposal by Papua New Guinea and Mexico: Parties agreed that Xavier Sticker (France) will conduct informal consultations on this item (FCCC/CP/2011/4/Rev.1).

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES AND IMPLEMENTATION OF THE TECHNOLOGY MECHANISM: Linkages between the Technology Mechanism and the Financial Mechanism of the Convention: Parties agreed that Carlos Fuller (Belize) and Elfriede More (Austria) will conduct informal consultations on this item (FCCC/CP/2014/6, FCCC/ SB/2015/1, and FCCC/CP/2015/3 and Add.1).

**MATTERS RELATED TO FINANCE: Long-Term Finance:** Parties agreed to establish a contact group to jointly consider this sub-item (FCCC/CP/2015/2 and INF.1) and the sub-item on the report of the Standing Committee on Finance (SCF) (FCCC/CP/2015/8), co-chaired by Andres Mogro (Ecuador) and Mark Storey (Sweden).

Report of the SCF: SCF Co-Chair Hussein Alfa Nafo (Mali) reported that, for the first time, the Committee had provided two draft compiled texts on guidance to the GCF and Global Environment

Facility (GEF). He highlighted areas of work for 2016-2017, including consideration of linkages between the Adaptation Fund and other institutions under the Convention.

Report of the GCF and Guidance to the GCF: GCF Board Co-Chair Henrik Harboe (Norway) highlighted key milestones including: nomination of 136 National Designated Authorities; accreditation of 20 entities to channel finance into action on the ground; and signed contribution agreements representing 58% of the initial US\$10 billion in pledges.

Parties agreed to establish a contact group to jointly consider this sub-item (FCCC/CP/2015/3, Add.1 and Add.1/Corr.1, FCCC/ CP/2015/8, INF.2 and MISC.1) and the sub-item on guidance to the GEF (FCCC/CP/2015/4 and Add.1, FCCC/CP/2015/8 and INF.2), co-chaired by Stefan Schwager (Switzerland) and Nauman Bashir Bhatti (Pakistan).

Report of the GEF and Guidance to the GEF: Chizuru Aoki, the GEF, reported on the GEF's support for INDC preparation, support to small island developing states, and support for NCs and biennial update reports. On INDCs, she stated that the GEF supported 46 countries in their INDC preparation, 44 of which have since communicated their INDCs.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Decision-making in the UNFCCC Process: Javier García (Peru) reported on informal consultations conducted in June 2015, and underlined that, while parties' views on the outcome of the process differ, there is a "shared sense" that it is useful to have a space to bring forward concerns with the decision-making process. Parties agreed that François Delattre (France) and Javier García (Peru) will conduct informal consultations.

#### CMP 11 PLENARY

In the morning, CMP Vice-President Cheikh Ndiaye Sylla (Senegal) opened the plenary.

ORGANIZATIONAL MATTERS: Status of Ratification of the Doha Amendment to the Kyoto Protocol: The Secretariat reported that, as of 30 November, 55 instruments of acceptance of the 144 required had been received. The CMP took note of the information.

ISSUES RELATED TO THE CDM: CDM Executive Board Chair Lambert Schneider (Germany) reported (FCCC/KP/ CMP/2015/5) that revisions to project standards, and validation and verification standards had been adopted with a focus to streamlining the work of the CDM. He also noted with concern the continuing low demand and prices for Certified Emission Reduction units (CERs), and outlined ways in which the Board continues to encourage voluntary cancellation of CERs.

The WORLD BANK underscored that the CDM sends a price signal for carbon, and called for, inter alia, simplifying the project cycle, streamlining programme activities and standardizing MRV procedures.

This issue of the Earth Negotiations Bulletin © <enb@iisd.org> is written and edited by Jennifer Allan, Beate Antonich, Rishikesh Ram Bhandary, Mari Luomi, Ph.D., Anna Schulz and Virginia Wiseman. The Digital Editor is Kiara Worth. The Editor is Pamela Chasek, Ph.D. <pam@iisd.org>. The Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Sustaining Donors of the Bulletin are the European Union, the Government of Switzerland (the Swiss Federal Office for the Environment (FOEN), the Swiss Agency for Developmentand Cooperation (SDC)), and the Kingdom of Saudi Arabia. General Support for the Environment (FOEN), the Swiss Agency for Developmentand Cooperation (SDC)), and the Kingdom of Saudi Arabia. General Support for the Bulletin during 2015 is provided by the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, the Finnish Ministry for Foreign Affairs, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES), the United Nations Environment Programme (UNEP), and the International Development Research Centre (IDRC). Specific funding for coverage of this conference has been provided by the Kingdom of Saudi Arabia, the European Union (EU), the Austrian Federal Ministry of Agriculture, Forestry, Environment, and Water Management, and the Ministry of the Environment of Finland. Funding for translation of the Bulletin into French has been provided by the Government of France, the Wallonia, Québec, and the International Organization of La Francophonic/Institute for Sustainable



Development of La Francophonie (IOF/IFDD). The opinions expressed in the Bulletin are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Bulletin* may be used in non-commercial publications with appropriate academic citation. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St., 11D, New York, NY 10022 USA. The ENB team at the Paris Climate Change Conference - November 2015 (UNFCCC COP 21) can be contacted by e-mail at <anna@iisd.org>



Parties established a contact group, co-chaired by Karoliina Anttonen (Finland) and Jeffery Spooner (Jamaica).

ISSUES RELATED TO JI: JI Supervisory Committee Chair Julia Justo Soto (Peru) reported that activity under JI has "virtually stopped," saying that there are no new requests for projects or for issuances of emission reduction units. Parties established a contact group, co-chaired by Dimitar Nikov (France) and Yaw Osafo (Ghana) on this item (FCCC/KP/CMP/2015/4).

**REPORT OF THE COMPLIANCE COMMITTEE:** Facilitative Branch Chair Delano Ruben Verwey (the Netherlands) outlined the activities of the enforcement and facilitative branches, including the Committee's continued interaction with expert review teams. The CMP took note of the report (FCCC/KP/CMP/2015/3) and invited parties to contribute to the Trust Fund.

REPORT OF THE ADAPTATION FUND BOARD: Adaptation Fund Board Chair Hans Olav Ibrekk (Norway) reported that the "fund has never been more in demand" and has delivered effectively on its mandate, but that the sustainability of the fund is "in danger." Parties established a contact group co-chaired by Richard Muyungi (Tanzania) and Herman Sips (the Netherlands) on this item (FCCC/KP/CMP/2015/2).

REPORT ON THE HIGH-LEVEL MINISTERIAL ROUNDTABLE ON INCREASED AMBITION OF KYOTO PROTOCOL COMMITMENTS: CMP Vice-President Sylla recalled there was no consensus on this issue at CMP 10 (FCCC/KP/CMP/2014/3). Saying that the high-level roundtable did not increase the ambition of Annex I parties, CHINA, opposed by the EU, AUSTRALIA and NORWAY, proposed a contact group. Parties agreed to informal consultations on a way forward facilitated by Paul Watkinson (France).

#### **ADP**

**CONTACT GROUP:** In the morning, Co-Facilitator George Wamukoya (Kenya) reported on the informal work on general and purpose (Articles 2 and 2*bis*) and preamble, saying all parties wanted precise text but differed on ways to streamline.

Co-Facilitator Tosi Mpanu-Mpanu (Democratic Republic of the Congo) reported that an informal informal on technology development and transfer (Article 7) had addressed cooperative action, technology goal, technology framework, and institutional arrangements, noting many brackets remained.

On capacity building (Article 8), Co-Facilitator Artur Runge-Metzger (EU) reported that parties worked on objective, principles, support and reporting, paring each to one option through a bridging proposal, and saying that differentiation is a crosscutting issue that remained unresolved.

On implementation and compliance (Article 11) and final clauses, Co-Facilitator Sarah Baashan (Saudi Arabia) said CMA (Article 12) was now clean, but disagreements remained on a compliance committee/mechanism in Article 11 and the type of threshold to use for determining entry into force (Article 18).

On decision paragraphs not allocated to spin-off groups, parties engaged in a long discussion on requesting the Secretariat to "provide information on the fairness and ambition of the INDCs communicated by parties" in a paragraph on updating the INDC synthesis report.

Malaysia, for the LIKE-MINDED DEVELOPING COUNTRIES (LMDCs), INDIA, Saudi Arabia, for the ARAB GROUP, and the RUSSIAN FEDERATION, among others, called for deleting the text. Others made alternative proposals, with TUVALU suggesting "information on how parties have reported on fairness and ambition." Interested parties agreed to work on a new proposal.

Also on INDCs, parties shortly considered a paragraph on, *inter alia*, enhancing ambition, and level of ambition in INDCs compared to nationally determined contributions, and decided to return to it later.

On decision paragraphs regarding giving effect to the agreement, specifically on efforts of all actors, BOLIVIA opposed juxtaposing local communities and indigenous peoples with the private sector. The ARAB GROUP proposed deleting two paragraphs, on requesting all

actors to scale up and demonstrate efforts, cautioning against passing the burden to actors outside the Convention. Parties requested the ADP Co-Chairs to work on a new text proposal.

Parties briefly considered paragraphs on administrative and budgetary matters, agreeing that the ADP Co-Chairs would work on a proposal based on input provided.

ADP Co-Chair Reifsnyder presented a revised proposal, for paragraphs: on taking note of the synthesis report on the aggregate effect of INDCs; noting the ambition gap; and noting expressed adaptation needs. SAINT LUCIA, opposed by the ARAB GROUP who suggested deleting reference to "degrees" altogether, called for including a request for consideration of consistency with 1.5°C scenarios. Parties decided that those interested would work on a new proposal.

In the afternoon, the ADP contact group continued its work on decision text. Brackets were removed from the paragraph on taking note of the synthesis report on the INDCs. SAINT LUCIA, supported by a number of parties, and opposed by the ARAB GROUP, introduced a new paragraph urging the update to the synthesis report to take into account 1.5°C scenarios.

After a discussion on insertion of new language and consideration of an amended paragraph on updating the synthesis report, Co-Chair Reifsnyder asked Saint Lucia to work on an insertion to the existing paragraph on updating the synthesis report that would address the party's concerns. Parties agreed to resume consideration of these two paragraphs at a later stage.

On the role of non-state actors, a new proposal by the Co-Chairs deleted reference to local communities and indigenous peoples in the paragraph on welcoming the efforts of all actors to address climate change, and added a new paragraph recognizing the knowledge, technologies and efforts made by local communities and indigenous peoples to address and respond to climate change.

At the request of the ARAB GROUP, two paragraphs, on nonstate actors scaling up efforts and on using the NAZCA portal, were bracketed over concerns about legal implications of "inviting" nonstate actors' activities that may then cause environmental, social or other harm. Several parties emphasized the important role of non-state actors and suggested the verbs "welcoming" or "encouraging" as a compromise. The contact group will return to this issue later.

Parties considered a textual proposal by the ADP Co-Chairs for paragraphs on a body to prepare for entry into force, and converged on using an existing body, specifically the ADP under a new name, by "importing" its governance and arrangements as proposed by Colombia, for the INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC).

Parties emphasized the need to convey that the ADP's mandate was completed successfully. They agreed the Co-Chairs would revise the text to reflect that the ADP would be given, in addition to a new mandate, a new name, with suggestions ranging from intergovernmental preparatory committee (IPC) or intergovernmental negotiating committee, to *ad hoc* preparatory committee or openended Paris committee.

Several parties registered concerns that language on recommending decisions to the CMA from the COP would undermine the COP as the supreme body of the Convention. Co-Chair Djoghlaf said this issue would be resolved in consultation with legal experts.

In the evening, South Africa, for the G-77/CHINA, proposed that: the Secretariat provide a compilation text by 9:00am Thursday, 3 December; the contact group discuss which informal groups must continue and where no further progress is likely; and the contact group consider cross-cutting issues. She suggested that the deadline for the ADP could be extended, which NORWAY and the US opposed.

Malaysia, for the LMDCs, requested that civil society be admitted into spin-off groups and, with Maldives, for AOSIS, underlined the need to consider the number of parallel groups meeting.



The EU and Switzerland, for the Environmental Integrity Group, supported the proposal for a compilation text. Guatemala, for AILAC, supported by NORWAY and the US, suggested asking facilitators to propose bridging text, which the G-77/CHINA suggested be captured in another document.

The EU and Sudan, for the AFRICAN GROUP, supported the proposal to address cross-cutting issues in the contact group. NORWAY suggested that the ADP Co-Chairs prepare a reflection note for the Presidency, which the G-77/CHINA opposed at this time.

Co-Chair Djoghlaf stated that a compilation text capturing progress made as of 9:00pm on Wednesday, 2 December, would be available by 10:00am on Thursday, 3 December. He further stated that bridging proposals made by the co-facilitators would be available in a separate document. He stated that the contact group will consider cross-cutting issues Thursday, 3 December, followed by stocktaking in the evening.

**SPIN-OFF GROUPS: Transparency (Article 9):** This morning session was facilitated by Fook Seng Kwok (Singapore). Parties identified respective views: on text providing for the CMA to adopt common modalities, procedures and guidelines building on lessons learned on reporting or on arrangements related to transparency, both under the Convention; and a proposed text for a provision on providing, in the transparency framework, flexibility for developing countries, in light of their capabilities, capacities, or including capacity-building support received.

The group also discussed placing in the agreement or decision text provisions on: types or modalities of flexibility; a periodic review of future transparency modalities and guidelines; and providing for the transparency system to be guided by Convention principles and to be implemented in an, *inter alia*, non-intrusive, non-punitive manner respectful of national sovereignty. Parties discussed these paragraphs further informally.

**Global Stocktake (Article 10):** This morning session was facilitated by Roberto Dondisch (Mexico). Parties focused on the decision portion of the text.

On inputs to the global stocktake, parties exchanged views on, *interalia*: connections with the long-term goal; relevance of individual and overall or aggregate efforts; outcomes of the 2013-2015 review; linkages with MRV processes; and the role of non-state actors.

Some parties preferred the no text option on inputs for the global stocktake, arguing that a prescriptive approach should be avoided and that a mandate to develop modalities was sufficient at this stage. Others disagreed, saying initial guidance to an IPC or similarly constituted body was necessary.

Parties also considered the possibility of aligning the Intergovernmental Panel on Climate Change's work with the global stocktake and the degree of specificity needed in the modalities for the IPC. Parties will consider agreement and decision text together, on 3 December.

**Workstream 2:** In the morning, Co-Facilitator Aya Yoshida (Japan) reported that informals resulted in clean paragraphs on inviting developed countries to increase pledges under the Cancun Agreements, housing of the mitigation technical examination process (TEP) and assessment of the TEP.

On accelerated implementation, parties made progress on reducing options and agreed to discuss the issue further in bilaterals. One party proposed language in the mitigation section on welcoming the Montreal Protocol's work on HFCs, and the importance of addressing shipping and aviation emissions. With many opposing introducing language at this point, parties agreed to return to this issue at the next spin-off group. A proposal on streamlining the adaptation section was circulated for consideration in afternoon informals.

**Mitigation (Article 3, 3bis and 3ter):** In the afternoon, the group heard reports from the facilitators of the party-led informal discussions on: features; individual and differentiated efforts, progression, ambition and framing; accounting; timing; support; cooperative approaches and mechanisms; and REDD+.

The reports reflected parties' textual work, small but significant progress in identifying clearer options in the draft agreement, and the wish of parties to continue their work. The group observed that parties' views continued to differ on, *inter alia*: support; differentiation; and accounting. Co-Facilitator Franz Perrez (Switzerland) reported back from consultations with parties on unilateral measures, international transport and regional economic integration organizations.

He noted work by two parties on a textual proposal on response measures, and, in response to several requests, said that he would notify those parties to invite the G-77/China representative on this issue to join in on this work.

INDIA indicated interest in further consultations on unilateral measures. BRAZIL emphasized the importance of the concept of "developed country parties taking the lead."

**Technology Development and Transfer (Article 7):** In the afternoon, the group discussed bridging proposals on long-term vision and technology framework that parties had worked on during informals. Swaziland, for the AFRICAN GROUP, proposed a new paragraph as an alternative option.

CHINA and UKRAINE, opposed by some parties, introduced amendments highlighting attention to developing countries and economies in transition respectively. INDIA called for language on promoting access to technologies. A few parties noted that Swaziland's proposal was no longer a bridging one with the amendments introduced. Co-Facilitator Tosi Mpanu-Mpanu (Democratic Republic of the Congo) said only the original bridging proposals would be carried over.

#### SUBSIDIARY BODIES

CONTACT GROUPS: Forum and Work Programme on Response Measures (SBI/SBSTA): SBI Chair Amena Yauvoli and SBSTA Chair Lidia Wojtal opened the contact group, co-facilitated by Delano Verwey (the Netherlands) and Eduardo Calvo (Peru), which considered draft decision text. The US said the text needed further consideration and that, because of ongoing negotiations under the ADP, the US would not be "in a position to adopt the decision text."

The EU noted that the text attempts to bridge different visions, but acknowledged the need to know how all discussions on this issue in Paris will come together. Argentina, for the G-77/CHINA, Ghana, for the AFRICAN GROUP, and SAUDI ARABIA expressed concern around linking this item to the ADP, with SINGAPORE suggesting the draft decision would focus on pre-2020 measures. The EU said the pre-2020 focus is not indicated in the text. Parties agreed to continue discussions in informal consultations.

#### IN THE CORRIDORS

On Day 3, the Paris conference hit full swing, with negotiators disappearing into multiple simultaneous "informal informals" in Hall 6. Beyond the work of the ADP, delegates turned attention to the ongoing work of the Convention. A lunchtime consultation on finance sought to elucidate how discussions on finance under the different bodies, the COP, SBSTA, SCF, and ADP, relate to each other. A seasoned observer suggested the event had been useful while another wished for clarity on the way forward.

In the ADP, many found the spirit to be positive and felt that areas of convergence were finally being harvested. At the same time, some were dismayed at the slow pace and about what was characterized as a tense atmosphere in the ADP contact group, all with eyes toward the looming ADP deadline.

As the ADP evening stocktaking closed, many worried about the large amount of text still to be addressed, with one party saying that "now is the time to reflect that we might not deliver what we want to deliver by next week." With formal consultations on the mode of work for the second week commencing, some observers still hoped for demonstrable progress under the ADP before the text is handed off.



# WOULD YOU LIKE TO HIRE IISD REPORTING SERVICES FOR YOUR EVENTS?

+ CONFERENCE

**+** VIDEO SERVICES
 **+** STRATEGIC COMMUNICATIONS

IISD RS' INDEPENDENT CONFERENCE REPORTING SERVICE BUILDS UPON THE REPUTATION OF THE EARTH NEGOTIATIONS BULLETIN. OUR COVERAGE PROVIDES AN OBJECTIVE, ACCURATE, TIMELY REPORT OF THE MEETING, PRODUCED WITH THE OPTION OF WEB AND VIDEO COVERAGE, SOCIAL MEDIA OUTREACH AND DISSEMINATION TO OUR FREE ISSUE-SPECIFIC MAILING LISTS. OUR GLOBAL REACH HELPS YOUR EVENT'S OUTCOMES TO CONTINUE TO INFLUENCE POLICY AT THE INTERNATIONAL, REGIONAL, NATIONAL OR SUB-NATIONAL LEVELS AS WELL AS RESEARCH. THINKING AND ACTION LONG AFTER THE MEETING IS OVER.



To arrange coverage for your meeting or conference, please contact the Conference Reporting Services team:

- Tomilola Akanle Eni-ibukun (tomilola@iisd.org)
- Brett Wertz (brett@iisd.org)
- Melanie Ashton (melanie@iisd.org)

