

BONN HIGHLIGHTS: MONDAY, 8 MAY 2017

The Bonn Climate Change Conference opened on Monday, 8 May. SBSTA 46, SBI 46 and APA 1-3 opening plenaries occurred. In the afternoon, a roundtable on Article 6 of the Paris Agreement (cooperative approaches), a Technical Expert Meeting (TEM) on mitigation, focusing on urban environment and land use, and a contact group and informal consultations met.

SBSTA

Chair Carlos Fuller (Belize) opened the session.

ORGANIZATIONAL MATTERS: Chair Fuller introduced the provisional agenda (FCCC/SBSTA/2017/1). SAUDI ARABIA recommended holding joint sessions with other bodies where appropriate. SBSTA 46 adopted the agenda and organization of work.

Election of Officers other than the Chair: Noting the lack of nominations received for SBSTA Vice Chair, Chair Fuller said Vice-Chair Tibor Schaffhauser (Hungary) would continue until his successor is elected.

OPENING STATEMENTS: Ecuador, for the G-77/CHINA, stressed the need to enhance pre-2020 action and to respect the “delicate balance of all issues” achieved in Paris.

Mexico, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), underscored the importance of negotiations on Paris Agreement Article 6 and that the Nairobi Work Programme (NWP) should be enhanced.

The EU highlighted the cross-cutting role of technology and the technology framework in addressing the goals of the Paris Agreement and the importance of both private and public sector involvement.

Australia, for the UMBRELLA GROUP, stressed that this session should focus on progressing arrangements under cooperative approaches and further discussing response measures.

Maldives, for the ALLIANCE OF SMALL ISLAND STATES (AOSIS), stressed the need to effectively address loss and damage, raise adaptation and mitigation ambition, and maintain environmental integrity in markets.

Saudi Arabia, for the ARAB GROUP, stressed negotiating adaptation and mitigation matters in a balanced manner and ensuring a “package” can be reached by 2018.

Ethiopia, for the Least Developed Countries (LDCs), expected progress on agriculture and the transparency framework.

Mali, for the AFRICAN GROUP, called for agreement on addressing the impacts of climate change on agriculture. On response measures, he said activities for the post-2018 forum need to be defined.

Guatemala, for the INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC), stressed, among others, cooperative approaches as providing additional financial resources to facilitate achievement of NDCs.

Cuba, for the BOLIVARIAN ALLIANCE FOR THE PEOPLES OF OUR AMERICA (ALBA), said the technology framework should lead to an “action framework” and that cooperative approaches cannot be used to avoid obligations to provide finance.

The Democratic Republic of the Congo, for the COALITION FOR RAINFOREST NATIONS (CfRN), called for a full set of decisions to provide rules, guidelines and procedures to implement actions on forests.

Iran, for the LIKE-MINDED DEVELOPING COUNTRIES (LMDCs), called for a comprehensive scope for the periodic review of the long-term global goal (LTGG) and work on the response measures forum under the Paris Agreement.

WOMEN AND GENDER expressed concern over proposals to include agriculture and land use in market mechanisms.

YOUNGOs urged greater focus on agriculture, calling crop-based biofuels a “fake solution.”

CLIMATE ACTION NETWORK (CAN) underscored the importance of establishing detailed accounting systems for finance and aviation emissions.

CLIMATE JUSTICE NOW! (CJN!) said there is no space for offsetting in the limited carbon budget.

MATTERS RELATING TO SCIENCE AND REVIEW:

Research and systematic observation: Chair Fuller said an informal note has been prepared for the 9th meeting of the Research Dialogue and a summary report would be made available on the website before SBSTA 47.

BUNKER FUELS: SINGAPORE, JAPAN, the EU, ARGENTINA and CHILE welcomed work by the International Maritime Organization (IMO) and International Civil Aviation Organization (ICAO), with CHILE calling for consistency with the Paris Agreement rulebook. ARGENTINA and CHINA called for work under the ICAO and IMO to reflect common but differentiated responsibilities (CBDR), with CHINA also cautioning against regional or unilateral actions.

SAUDI ARABIA, supported by the RUSSIAN FEDERATION, proposed preparing similar draft conclusions as at SBSTA 45, which take note of information received from ICAO and IMO. JAPAN, supported by the RUSSIAN FEDERATION, suggested calling on ICAO and IMO to continue addressing bunker fuel emissions.

Chair Fuller will consult with parties.

The following items were forwarded to contact groups:

- Matters related to science and review: Scope of the next periodic review of the LTGG and overall progress towards achieving it; and science and systemic observation;
- Impact of the implementation of response measures: improved forum and work programme; and matters relating to Protocol Article 2.3; and
- Modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Agreement Article 9.7;

The following items were forwarded to informal consultations:

- Modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures;
- NWP;
- Technology framework under Agreement Article 10.4;
- Agriculture;
- Methodological issues under the Convention: training programme for review experts for the technical review of biennial reports and national communications of Annex I Parties; GHG data interface; and
- All sub-items under matters relating to Article 6 of the Agreement.

The Chair will undertake consultations on the following items:

- Methodological issues under the Convention: revision of the UNFCCC reporting guidelines on annual inventories for Annex I parties; training programme for review experts for the technical review of GHG inventories of Annex I parties; and common metrics to calculate the carbon dioxide equivalence of GHGs;
- Both sub-items under methodological issues under the Protocol, and
- Cooperation with other international organizations.

AGRICULTURE: Informal consultations were co-facilitated by Emmanuel Dlamini (Swaziland). Many developing countries noted the “paramount priority” of food security and eradicating hunger, noting they should be addressed in terms of adaptation and vulnerability. At the suggestion of a compromise text to be provided by some developing countries, several developed countries proposed starting with small steps, such as providing advice based on workshop reports. Parties will consult informally on the way forward before the next meeting.

TECHNOLOGY FRAMEWORK UNDER PARIS AGREEMENT ARTICLE 10.4: During informal consultations co-facilitated by Elfriede Anna More (Austria), views differed between those who advocated for using Paris Agreement text and others who suggested the framework should also serve the Convention. Some parties called for linkages to the Financial Mechanism. Others suggested the need to address barriers to technology transfer. Another recalled enabling environments as one principle agreed upon in Marrakech. Discussions will continue on the structure of the Framework.

PARIS AGREEMENT ARTICLE 6 ROUNDTABLE: SBSTA Chair Fuller noted the purpose of this session is to unlock progress in the negotiations through deliberation on technical issues. Co-facilitator Hugh Sealy (Maldives) said the co-facilitators would present an oral report as a summary.

On identifying and enabling non-market approaches, parties discussed suitable approaches for the framework and how to enable these further. They highlighted features, including: non-tradability and non-transferrability of results, particularly avoiding commodification; a sharing platform; an international aspect that may involve recognition of efforts; a bottom-up and decentralized nature to match national contexts; and applicability of a technical expert meeting-like format.

On operationalizing the framework, parties exchanged views on its coordination function, the required organizational arrangements and linkages with the transparency framework.

They noted the role of the framework in facilitating implementation, promoting capacity building and creating linkages between different actors and options for institutional arrangements.

SBI

Chair Tomasz Chruszczow (Poland) opened the session.

ORGANIZATIONAL MATTERS: Chair Chruszczow introduced the provisional agenda (FCCC/SBI/2017/1) and organization of work. Delegates adopted the agenda with the item title “Provision of financial and technical support” instead of “Financial and technical support” and with the item on information contained in national communications from non-Annex I parties held in abeyance.

OPENING STATEMENTS: Ecuador, for the G-77/CHINA, called for: discussions on national adaptation plans (NAPs) to consider means of implementation (MOI); sustainability and predictability of funds for the Adaptation Fund; and defining non-state actors’ role.

Australia, for the UMBRELLA GROUP, encouraged broad participation in the multilateral assessment, noted the submission of biennial update reports (BURs) and looked forward to further submissions.

Chair Chruszczow suspended the plenary until Tuesday, 9 May, to conclude opening statements.

Multilateral assessment: Facilitative sharing of views: The SBI took note of the information provided on the availability of background information on these processes.

Other mandated events: The SBI took note of the information provided on mandated events taking place during SBI 46.

REPORTING FROM AND REVIEW OF ANNEX I PARTIES: The Secretariat reported on a training workshop on the use of IPCC guidelines on GHG inventories for the African region, and noted an upcoming workshop for the Latin America and Caribbean region in June 2017. Informal consultations will convene.

MATTERS RELATED TO LDCs: The LEG reported on the Group’s activities since November 2016. Informal consultations will convene.

REPORTING FROM NON-ANNEX I PARTIES: **Summary reports on the technical analysis of BURs of non-Annex I Parties:** The SBI took note of the summary reports published on the UNFCCC website.

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS: Nazhat Shameem Khan, incoming COP 23 Presidency, provided an update on the status of preparations for COP 23, and welcomed parties’ inputs regarding expectations, including during consultation events organized by the incoming presidency at SB 46. Collin Beck, Solomon Islands, will chair a contact group on this item.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Programme budget for the biennium 2018-2019: UNFCCC Executive Secretary Patricia Espinosa presented the draft programme budget for the biennium 2018-2019, noting that it provides a bridge from the current work of the Secretariat to the anticipated work going forward. Noting that parties had requested a zero percent increase, and such an option was included in the draft, she also reported that the Secretariat’s requested option is a 9.7% increase, to accommodate the CMA, APA and 2018 facilitative dialogue. A contact group will convene. A spin-off group was established to consider the proposed budget for the international transaction log and methodology for collection of its fees for 2018-2019.

Other financial and budgetary matters: The Secretariat reported on ways to address outstanding contributions and options for increasing the flexibility of the funds in the Trust Fund for Supplementary Activities. Stating his dissatisfaction with

the report by the Secretariat (FCCC/SBI/2017/INF.4), SAUDI ARABIA suggested the contact group under the sub-item on the programme budget for the biennium 2018-2019 discuss it. The SBI took note of the report and forwarded it to the contact group.

Continuing review of functions and operations of the Secretariat: The SBI Chair will consult with interested parties.

Implementation of the Headquarters Agreement: Executive Secretary Espinosa briefed on progress in the Secretariat's relationship with the host country, including plans for the expanded Bonn facilities at the UN campus. The SBI Chair will prepare draft conclusions on the matter.

The following items were forwarded to informal consultations:

- Development of modalities and procedures for the operation and use of a public registry referred to in Paris Agreement Article 4.12;
 - Development of modalities and procedures for the operation and use of a public registry referred to in Paris Agreement Article 7.12;
 - Review of the modalities and procedures for the CDM;
 - NAPs;
 - Development and transfer of technologies: scope and modalities for the periodic assessment of the Technology Mechanism in relation to supporting the implementation of the Paris Agreement; and
 - Both sub-items under matters relating to climate finance.
- Joint SBI/SBSTA contact groups were established for:
- Scope of the next periodic review of the LTGG and of overall progress towards achieving it; and
 - Impact of the implementation of response measures: Improved forum and work programme; modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures; matters relating to Kyoto Protocol Article 3.14; and progress on the implementation of decision 1/CP.10 (Buenos Aires programme of work on adaptation and response measures).

TEM ON MITIGATION: URBAN ENVIRONMENT AND LAND USE

Issues raised included the implications of growing urbanization and emissions from forestry and land use sectors, *inter alia*, the need to: engage a substantial number of stakeholders for climate action; recognize indigenous rights; bridge UN negotiations and cities' realities; reduce meat and dairy consumption; and increase subnational and transnational collaboration.

APA

APA Co-Chair Sarah Baashan (Saudi Arabia) opened the meeting.

ORGANIZATIONAL MATTERS: Parties agreed to continue with the APA 1 agenda (FCCC/APA/2017/1) and work in a single contact group that will conduct its work through informal consultations.

Election of officers: Co-Chair Baashan indicated that the deadline for nominations is 12 May and that this issue will be revisited at the closing plenary.

OPENING STATEMENTS: Ecuador, for the G-77/CHINA, stressed: the importance of advancing, and maintaining a balance among, all elements of the Paris Agreement; the need to move to textual negotiations by COP 23; and NDCs as a key vehicle for delivering enhanced action under the Paris Agreement.

The EU said the APA workshops and roundtables are proving useful in advancing technical understanding. She called for moving beyond conceptual discussions and leaving COP 23 with elements of draft text on all issues.

Australia, for the UMBRELLA GROUP, observed that discussions are now becoming more concrete, which he said was necessary to fulfill the Paris Agreement mandates.

Switzerland, for the EIG, underlined that a technical mode is a fundamental underpinning to the text-based discussions in 2018.

Iran, for the LMDCs, stressed the need for transparency and inclusiveness, consistency with the Convention's principles and provisions, and significance of MOI in the post-2020 period.

Ethiopia, for the LDCs, called for informal and reflection notes, suggesting that some decisions could be taken at COP 23. He noted imbalance in discussions on reporting on emissions, which are more advanced than discussions on support.

China, for BRAZIL, SOUTH AFRICA, INDIA and CHINA (BASIC), called for starting textual negotiations as soon as possible and reflecting differentiation, the nationally-determined nature of contributions and flexibility for developing countries.

Bolivia, for ALBA, underlined the need to avoid renegotiating the Paris Agreement and to reflect the Convention's principles, including equity and CBNDR.

Guatemala, for AILAC, stated that being party to the Paris Agreement implies a responsibility to work for its success, ambition and progression.

Saudi Arabia, for the ARAB GROUP, underlined that transparency should apply to all aspects, especially MOI; and the need for differentiation in addressing mitigation, stressing the necessity to link actions and support.

Maldives, for AOSIS, called for: initiating work on a new quantified finance goal; reaching a decision on the Adaptation Fund; defining loss and damage; and completing the design of the 2018 facilitative dialogue by COP 23.

Mali, for the AFRICAN GROUP, stressed the linkages between agenda items and asked for a non-prescriptive Co-Chairs' note to help the negotiations progress.

The Democratic Republic of the Congo, for Cfrn, suggested that REDD+ institutions could hold valuable lessons for the APA's work on internationally transferred mitigation outcomes (ITMOs).

TRADE UNION NGOS (TUNGOS) called on parties to include a just transition in their NDCs.

WOMEN AND GENDER called for a process to involve gender experts.

YOUNGOS urged a focus on adaptation and transparency, and, with CAN, called for more civil society engagement.

CORPORATE ACCOUNTABILITY INTERNATIONAL lamented that parties' submissions show no sign of advancing action and support. INDIGENOUS PEOPLES said "offsets are hidden emissions" and called for effective participation of indigenous peoples in the global stocktake.

IN THE CORRIDORS

As delegates convened to start negotiations under the three bodies – SBI, SBSTA, APA – many thought the three full agendas felt familiar. With Marrakech having provided parties with clarity on the Paris Agreement work programme, the three bodies were able to launch smoothly, with several consultations and mandated events starting in the afternoon.

But was something different this time? Many delegates could not help but wonder how the uncertainty over US' participation in the UNFCCC process might affect the mood. One country group voiced this concern in plenary, worrying that "we are living in difficult times, which may put into test our collective and individual determination to fulfil what all countries ratifying the Agreement committed to." Some legally-versed observers were heard wondering about the white US nameplate, instead of the usual black used for country parties.

Many, however, were set to proceed "business as usual," with one large country calling on others to "avoid the blame game." With the Paris Agreement work programme deadline starting to loom in 2018, a sense of urgency was conveyed by most parties, who stressed the need to stay engaged and move forward.

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- Jennifer Allen (jennifera@iisd.org)
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- Brett Wertz (brett@iisd.org)
- Melanie Ashton (melanie@iisd.org)