

BONN HIGHLIGHTS: WEDNESDAY, 10 MAY 2017

The Bonn Climate Change Conference continued on Wednesday. Informal consultations and mandated events convened throughout the day.

SBSTA

NAIROBI WORK PROGRAMME: Beth Lavender (Canada) co-facilitated. The session focused on suggestions for the improvement of the Focal Point Forum. The Secretariat described the evolution of the Forum, from exchanging views to providing recommendations for actions. She noted challenges, including lack of time for discussion and inability to engage experts. Some parties supported the idea of greater focus for future forums. A focal point expressed concern that focused sessions might alienate those focal points not working in the chosen area. The Co-Chairs will produce draft conclusions.

PARIS AGREEMENT ARTICLE 6: After lengthy procedural discussions, parties decided to close the informal sessions to observers. Co-Facilitator Hugh Sealy (Maldives) proposed identifying elements for guidance for all three components of Article 6 in an open list and considering next steps. Many parties agreed to focus discussions on elements or headings under which text can be developed. Some suggested developing criteria by which elements will be chosen. Many parties stressed the need for further technical work before COP 23.

PARIS AGREEMENT ARTICLE 6.2 (ITMOs): Co-Chair Kelley Kizzier (EU) invited parties to identify headings, main elements and priority areas. Parties identified the need to: define ITMOs, including their quantification; delineate the scope of guidance; devise technical tools and infrastructure for ITMOs; and ensure environmental integrity through robust accounting rules and comparability of outcomes. They exchanged views on how ITMOs will be applied towards NDCs, with a few noting the need to cap their application. Some parties noted that Article 6 includes raising ambition on both mitigation and adaptation. Several parties identified overarching principles such as additionality, comparability, supplementarity and national determination. Parties exchanged views on, *inter alia*, the extent of multilateral versus national oversight, and links with the Article 6.4 mechanism and its application to NDCs. The Co-Facilitators will produce a compilation of views.

PARIS AGREEMENT ARTICLE 6.4 (MECHANISM): Parties outlined a possible list of elements, including: principles and alignment with Paris Agreement's objectives; definitions; scope; governance and institutional arrangements, including the role of the CMA; methodologies and project cycles; share of proceeds; overall mitigation, including its definition and operationalization; and transitional issues and means to ensure the credibility of the CDM. On supporting sustainable development, a party suggested links with the Sustainable Development

Goals, while some described this as a national prerogative. On transitional issues surrounding the Protocol mechanisms, parties exchanged views on whether to include both the CDM and joint implementation. Co-Facilitators will prepare a compilation of views.

TECHNOLOGY FRAMEWORK UNDER PARIS AGREEMENT ARTICLE 10.4: Elfriede More (Austria) co-facilitated. Parties commented on an internal tool that: outlines purpose, principles and key themes; and presents a matrix containing parties' previous discussions on the structure of the technology framework. Some parties expressed concerns around using the idea of the technology cycle as part of the structure of the framework, while others welcomed it as a good approach to capture the dynamics of technology-readiness levels. One party viewed listing options on research and development, demonstration and deployment, and diffusion and transfer as "premature." Others called for specification of activities and flow of funds and technology. Many emphasized the need for interlinkages to relevant actors.

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DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY (PARIS AGREEMENT ARTICLE 4.12): Co-Facilitator Gertraud Wollansky (Austria) suggested parties identify the elements of the modalities and procedures, and functions, of the registry for NDCs.

Parties emphasized user-friendliness, public accessibility, security and searchability. Many suggested discussing how to improve the interim NDC registry. Some said the registry should be able to evolve over time and accommodate various documents, including successive NDCs.

Views diverged on presenting additional country information, with one country noting information should be communicated in a country-determined fashion, not by the registry.

Co-Facilitator Wollansky encouraged parties to consult informally to clarify the scope of the discussions. Informal consultations will continue.

DEVELOPMENT OF MODALITIES AND PROCEDURES FOR THE OPERATION AND USE OF A PUBLIC REGISTRY (PARIS AGREEMENT ARTICLE 7.12): Co-Facilitator Madeleine Diouf-Sarr (Senegal) proposed that parties "park" discussions over the number of registries and linkages to APA discussions, inviting a focus on the operation of the registry for adaptation communications.

Countries supported user-friendliness, public accessibility, security for users and the Secretariat maintaining the registry. Many drew attention to the need for flexibility and linkages with other portals hosting vehicles for adaptation communications.

Many noted the modalities should not prejudice outcomes under APA item 4 (adaptation communications). Informal consultations will continue.

REVIEW OF THE FUNCTIONS OF THE SCF: Delphine Eyraud (France) co-facilitated. Parties exchanged views on draft conclusions. Several developed countries preferred noting that parties' submissions will be taken as input for a technical paper by the Secretariat. Views diverged on what constitutes activities versus functions of the SCF, with one party preferring to look at efficiency gains and prioritization in the way the SCF conducts its work. Others stressed the need for a focus on MRV of support, in light of the Paris Agreement's transparency framework. Parties supported their respective views referencing the TOR for the Review, with one party suggesting referring to it in the draft conclusions. Discussions will continue.

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RESPONSE MEASURES: The TEG was co-chaired by Alexandria Rantino (Australia) and Peter Govindasamy (Singapore), and focused on the second element of the TEG's mandate: just transition of the workforce. The International Labour Organization noted that climate policies have not been the main factor in causing labor-sector impacts, but may be with increased ambition. Australia presented its experience with policies for a just transition in the coal sector. The Co-Chairs presented a summary report prepared under their own responsibility, reflecting the views expressed by the experts over the two days on just transition, economic diversification and cross-cutting issues. While noting the original mandate to the TEG to produce a report, participants agreed to forward the Co-Chairs' report to the contact group.

APA

MITIGATION SECTION OF DECISION 1/CP.21:

Co-Facilitator Wollansky noted convergence on the need for the information to facilitate clarity, transparency and understanding of NDCs not to undermine their nationally-determined nature or create undue burden. Discussions focused on the purpose and elements of this information. Parties identified the need to agree whether guidance will apply to the first or subsequent rounds of NDCs and on the links with the transparency framework. Various countries underlined capacity-building constraints to reporting. Noting the large number of NDC types, some parties suggested starting with minimal arrangements. Informal consultations will continue.

ADAPTATION COMMUNICATIONS: Co-Facilitator Lavender proposed a structure for the work, aimed at producing a "skeleton" of the structure and possible text. Many parties noted that convergence seemed closer than expected on items such as purpose and elements of the communications. Several requested a distilled version of the table summarizing pre-session work for the next informal consultations.

TRANSPARENCY FRAMEWORK FOR ACTION

AND SUPPORT: Xiang Gao (China) co-facilitated. Parties commented on three non-exhaustive lists of elements provided by the Co-Facilitators. On information necessary to track progress made in implementing and achieving NDCs, many called for avoiding duplication. Several stressed clarity on common and specific elements for different types of NDCs. Some parties raised concerns over specifying contributions from the land-use sector, preferring this to fall under information on parties' accounting. Others called for reflecting differentiation, with one suggesting developing countries inform of barriers to implementation and of required MOI to overcome them.

On the technical expert review, parties called for specifying its inputs and outputs, and approaches related to specific types of information to be reported, such as to inventories and support.

On facilitative, multilateral consideration of progress, parties suggested using past experience to improve the process and outlining steps and organization of work, including possible future events. Discussions will continue.

GLOBAL STOCKTAKE (GST): Co-Facilitators Xolisa Ngwadla (South Africa) and Ilze Prūse (Latvia) proposed updating the informal note from Marrakech. On possible linkages and context, some developing countries underlined the link to support for loss and damage, and one mentioned the impacts of response measures. Various developing countries called for operationalizing equity in the GST, while some developed countries underlined the difficulty of defining equity in a practical way. Others mentioned links to the ambition cycle and best available science.

On possible outputs/outcomes, many parties noted that the Paris Agreement outlines the GST's outcome. Some said discussions of the GST's modalities will enable the identification of outputs. Some also called for learning from the experience of the Structured Expert Dialogue on the 2013-2015 review, in particular how it distilled information to present outputs.

COMMITTEE TO FACILITATE IMPLEMENTATION AND PROMOTE COMPLIANCE:

Co-facilitated by Peter Horne (Australia) and Janine Felson (Belize), informal consultations addressed the committee's scope and function, and triggers. While various parties saw the "facilitating implementation" and "promoting compliance" functions as separate, some developed countries argued that they are a continuum. Discussions also focused on whether the committee's activities would cover all provisions of the Agreement or only legally-binding ones. On triggers, a developing country group supported a self-trigger only, while two developing country groups and other countries called for additional triggers. Some opposed a Secretariat trigger, noting the Secretariat's neutral, information gathering role, while others cited this as the reason for a Secretariat trigger. Several supported a CMA trigger for systemic issues. Informal consultations will continue.

FURTHER MATTERS: Adaptation Fund: Pieter Terpstra (the Netherlands) co-facilitated. The Secretariat's legal team responded to parties' questions from the previous session, explaining that the Adaptation Fund currently only reports to the CMP and its governance framework is designed to serve the Kyoto Protocol.

Parties presented further questions, including on: whether the Fund can serve the Agreement while sitting under the COP or CMP; legal precedents of a fund being transferred from one legal instrument to another or serving multiple instruments; provision of guidance under different scenarios; Board membership; and use of the share of proceeds or resources in general.

One country suggested the Secretariat formulate answers across three scenarios, namely whether the Fund serves the CMP, COP or CMA, with another party adding the option of the Fund serving both the Protocol and Agreement. The Secretariat will prepare answers for the next informal consultations.

IN THE CORRIDORS

Negotiations reached cruising speed by day three of the Bonn Climate Change Conference. In most rooms, many reported, "parties are starting to think about the guidance that is really needed" and addressing "constructive ambiguities" in the Paris Agreement. And delegates did dig into substance, with attention shifting to identifying the contours of draft texts that can be fleshed out during the year.

Some thorny issues, such as how to operationalize differentiation in the context of the Paris Agreement rulebook, were sometimes difficult to ignore. Although one observer said most of the discussions could be summarized as a debate between "one or two" – be it the modalities for the transparency framework or the compliance committee, or the number of public registries – several said these were "political" decisions that would need to be taken later. However, in a few areas an optimistic delegate said these technical discussions could help parties navigate through difficult political waters.