

FIJI / BONN HIGHLIGHTS: TUESDAY, 7 NOVEMBER 2017

The Fiji / Bonn Climate Change Conference continued on Tuesday. The APA met in plenary and then in a contact group in the morning. In the afternoon, the COP and CMP plenaries resumed. Throughout the day, SBI and SBSTA contact groups and informal consultations and APA informal consultations convened.

APA PLENARY

Noting the APA has made steady, incremental progress since COP 22, Co-Chair Sarah Baashan (Saudi Arabia) stressed there is still much remaining.

Election of Officers: Parties elected Sarah Baashan and Jo Tyndall (New Zealand) for a second, consecutive one-year term. Co-Chair Baashan informed that consultations on the rapporteur are still ongoing and the item would be taken up again in the closing plenary.

Adoption of the Agenda: Co-Chair Baashan informed that, given that this is a resumed session, the agenda adopted at APA 1 would continue to be applied, with the exception of the sub-item on preparing for the entry into force of the Paris Agreement, which was completed in Marrakech in 2016 (FCCC/APA/2017/3).

Organization of the Work: Co-Chair Baashan proposed, and parties agreed, to apply the modalities established in May 2016 (FCCC/APA/2016/2). She explained that: the contact group will meet at least three times; informal consultations will take up technical work; the APA co-chairs will coordinate daily with the co-facilitators and regularly with the SB chairs to ensure coherence and consistency; and parties are encouraged to keep the informal consultations open to observers. She also called on parties to reach, at APA 1-4, an understanding on all items on: scope, including skeleton outlines; and content, including narrative, bullets, and/or options, as well as placeholders to take into account linkages to work undertaken elsewhere.

She opened the floor for statements. Several parties underlined the benefits of, and need for, balance and coherence among the issues addressed and among the subsidiary bodies. Most groups outlined their expectations for most substantive agenda items, with several developing countries underscoring the need to address mitigation, adaptation, MOI, and response measures in several substantive items.

On process and possible outcomes of COP 23, the EU said it was not convinced that compilations of submissions or parties' views is an efficient way to conduct the process. Australia, for the UMBRELLA GROUP, stressed that the APA must also be flexible and allow each item to move forward at its own pace. Switzerland, for the EIG, called on the Co-Chairs to ensure overall balance in the process, gradually deepening the substance and robustness of the text.

Mali, for the AFRICAN GROUP, and Ethiopia, for the LDCs, highlighted the urgency of textual negotiations. Iran, for the LMDCs, called for a single draft negotiating text that includes all elements. Saudi Arabia, for the ARAB GROUP, stated preference for an omnibus decision in 2018.

Maldives, for AOSIS, stated parties should leave Bonn with a comprehensive plan of work and a timetable. Brazil, for BRAZIL, ARGENTINA and URUGUAY, supported developing textual elements and suggested distinguishing which elements need to be agreed in 2018 from those that can be addressed later.

On the Adaptation Fund, the LMDCs said the Fund should serve the Paris Agreement. The LDCs called for a COP 23 decision. BRAZIL, ARGENTINA, and URUGUAY suggested a COP decision in 2018.

WOMEN AND GENDER called for rules that will realize fair, inclusive, and gender sensitive implementation of the Paris Agreement.

YOUNGOs identified Action for Climate Empowerment (ACE) as the core element of the Paris Agreement.

BINGOs called for an inclusive dialogue with business as part of an "all economy" approach.

CAN called for implementation guidelines that encourage ambition and facilitate action, and for leaving Bonn with negotiating text.

CJN! lamented that some parties are stating their NDCs pertain only to mitigation and not to MOI.

INDIGENOUS PEOPLES underscored their vulnerabilities to climate variabilities and extremes, affecting their subsistence and sovereignty.

LGMA highlighted their contributions to, *inter alia*, the global stocktake and transparency framework.

TUNGOs urged countries to include a just transition in their NDCs.

APA AGENDA ITEMS 3-8: In the contact group, APA Co-Chair Jo Tyndall provided an update and suggested objectives for this session on each substantive agenda item. Parties agreed to convene informal consultations on all these agenda items.

CHINA, supported by INDIA and SAUDI ARABIA, said identifying modalities for communicating information on the provision of public financial resources to developing countries in accordance with Paris Agreement Article 9.5 (*ex-ante* finance transparency) is a "homeless issue" that is lacking progress, calling for allocating time and two co-facilitators for this issue. Co-Chair Tyndall said this issue would be considered in the informal consultations under the sub-item on further matters.

IMPLEMENTATION AND COMPLIANCE

COMMITTEE: In informal consultations, co-facilitated by Janine Felson (Belize) and Peter Horne (Australia), participants discussed the outcome of the APA in-session roundtable held

Monday, 6 November, and ways forward. On the roundtable, Co-Facilitator Felson provided reflections on some of the themes, including the discretion of the committee to determine what measures would be appropriate.

On the way forward, many supported using the informal note from the previous session as the basis of work, including using it to develop a draft decision text with headings and sub-headings. Informal consultations will continue.

FURTHER MATTERS: Adaptation Fund: Informal consultations convened, co-facilitated by María del Pilar Bueno (Argentina) and Pieter Terpstra (the Netherlands). Several developing countries stated there should be an outcome at this COP stipulating that the Adaptation Fund shall serve the Paris Agreement and modalities should be developed in a timeframe to be discussed. Several developed countries argued that work must progress to address the issues related to the Adaptation Fund, mainly related to governance and institutional arrangements, safeguards, and operating modalities. Informal consultations will continue.

Other Further Matters: APA Co-Chair Sarah Baashan facilitated. She informed that this session is expected to consider five possible additional matters and that the Co-Facilitators have prepared further questions to support deliberations, in addition to the three questions already proposed in the APA Co-Chairs' reflection note (APA.2017.3.InformalNote). Parties disagreed on whether to engage in an initial sharing of views. Many parties raised concerns regarding scheduling clashes with other finance-related items being discussed under other bodies.

Co-Facilitator Baashan presented the further questions. Some presented their initial views on one possible additional matter: modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Paris Agreement Article 9.5 (*ex ante* finance transparency). Views diverged on whether this matter is sufficiently addressed under the COP item on Article 9.5. Informal consultations will continue.

COP PLENARY

COP 23 President Frank Bainimarama (Fiji) invited statements by parties that were unable to deliver translated statements during Monday's plenary. Saudi Arabia, for the ARAB GROUP, called for an omnibus decision that will include all items related to the Paris Agreement.

President Bainimarama provided an update on two proposals for additions to the provisional agenda, saying informal consultations had begun on one item and would begin on Wednesday, 8 November, on the other.

Organization of Work: President Bainimarama reported that consultations on the special needs and circumstances of Africa had not reached agreement, and further consultations would occur. On Turkey's request for access to support from the GCF and CTCN, President Bainimarama informed that Jochen Flasbarth (Germany) will undertake consultations.

Dates and Venues of Future Sessions: Poland, incoming COP 24 Presidency, provided an update on preparations for COP 24, to be held in Katowice, Poland. President Bainimarama invited interested parties from Latin America and the Caribbean, and Western Europe and Others groups to come forward with offers to host the COPs in 2019 and 2020, respectively.

MATTERS RELATING TO FINANCE: Long-term Climate Finance: Sixth Review of the Financial Mechanism: COP 22 President Salaheddine Mezouar provided an update on progress on long-term finance. The COP established a joint contact group on these sub-items.

Matters Relating to the Standing Committee on Finance (SCF): The SCF reported on the Committee's work, including meetings, the SCF Forum, and other intersessional work. The COP agreed to establish a contact group on this sub-item.

Report of, and Guidance to, the GCF: Report of, and Guidance to, the GEF: The GCF reported that the Fund is now "truly operational and delivering on its mandate." The GEF reported on its activities, affirming commitment to continue supporting countries. The COP established a joint contact group on these sub-items.

Process to Identify the Information to be Provided in Accordance with Paris Agreement Article 9.5: The COP agreed to establish a contact group on this sub-item.

WOMEN AND GENDER said that adaptation and mitigation financing must be balanced 50/50, with additional finance for loss and damage.

YOUNGOs asked for concrete progress and public finance for the Adaptation Fund.

LGMAAs called upon operating entities of the UNFCCC Financial Mechanism to prioritize funding for low carbon, highly resilient urban development.

TUNGOs underscored the importance of realizing the US\$100 billion finance commitment as soon as possible.

PREPARATION FOR THE IMPLEMENTATION OF THE PARIS AGREEMENT AND THE FIRST SESSION OF THE CMA: Aziz Mekouar, COP 22/CMP 12/CMA 1 Presidency, informed that, he had conducted consultations with the COP 23 Presidency, which would continue throughout COP 23.

Ambassador Nazhat Shameem Khan (Fiji) highlighted the features of the Talanoa Dialogue, including that it: is a constructive, facilitative, and solutions-oriented dialogue; avoids confrontation; builds empathy; and fosters stability and inclusiveness by creating a safe space. She suggested that the dialogue would be structured around three questions: Where are we? Where do we want to go? How do we get there?

Supporting the work led by Fiji in developing modalities for the Talanoa Dialogue, Maldives, for AOSIS, said enhancing mitigation ambition should shape all elements of the process.

Iran, for LMDCs, said orchestration will be key to the success of the dialogue.

While agreeing that it is not necessary to launch negotiations on the Dialogue's design, the EU and AUSTRALIA stressed that parties must leave COP 23 with clarity on its conduct. COLOMBIA highlighted the importance of non-state actor participation in the process.

YOUNGOs underscored that the dialogue cannot fall into "meaningless conversation and superficial statements."

LGMAAs called for parties to make use of vertical and horizontal integration to connect climate action across all levels of government.

CONSIDERATION OF PROPOSALS BY PARTIES FOR AMENDMENTS TO THE CONVENTION UNDER ARTICLE 15: Proposal from Papua New Guinea and Mexico: The Presidency will convene consultations.

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES AND IMPLEMENTATION OF THE TECHNOLOGY MECHANISM: Review of the Effective Implementation of the CTCN: BINGOs called for greater predictability of long-term climate policies and furthering the CTCN's work.

CJN! underscored that the voluntary aspect of the funding model results in a lack of predictability over the medium and short terms.

The Presidency will conduct consultations.

ASSESSMENT OF TECHNICAL EXAMINATION

PROCESSES (TEPs): LGMAs reaffirmed their support with a view to increasing the effectiveness of the TEPs and identifying actions with high potential and co-benefits and local and regional levels. The Presidency will convene consultations.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Decision Making in the UNFCCC Process: The RUSSIAN FEDERATION suggested continuing this dialogue. The Presidency will conduct consultations.

Noting no other matters, President Bainimarama suspended plenary.

CMP PLENARY

MATTERS RELATING TO THE CDM: The CDM Executive Board reported that despite lower demand there has been a “healthy increase” in issuance. He suggested that the CMP provide guidance on the function of the CDM beyond the second commitment period.

BINGOs urged parties to use the CDM as a model for the future framework.

Parties established a contact group.

MATTERS RELATING TO JOINT IMPLEMENTATION (JI): Joint Implementation Standing Committee (JISC) reported that new activities under JI depend on the entry into force of the Doha Amendment and, as such, no new projects were approved. The CMP took note of the report (FCCC/KP/CMP/2017/2).

BINGOs called for parties to heed the lessons and analysis presented by the JISC at COP 22, including on governance and transparency.

REPORT OF THE COMPLIANCE COMMITTEE: The Committee reported on the work of the enforcement and the facilitative branches. The CMP took note of the report (FCCC/KP/CMP/2017/4, and CAR/UKR).

MATTERS RELATING TO THE ADAPTATION

FUND: Report of the Adaptation Fund Board: The Board reported that the Fund: has never been more in demand; is delivering effectively on its mandate; is already facilitating the implementation of the Paris Agreement. He reported the Fund received US\$81.4 million in contributions in the past year. A contact group will convene.

REPORTING FROM AND REVIEW OF ANNEX I PARTIES: Annual Compilation and Accounting Report for the Second Commitment Period for Annex B Parties: The CMP took note of the report (FCCC/KP/CMP/2017/3 and Add.1).

REPORT OF THE HIGH-LEVEL MINISTERIAL ROUNDTABLE ON INCREASED AMBITION OF KP COMMITMENTS: President Bainimarama reported that views on this agenda item remain unchanged and that the Presidency will continue informal consultations.

Noting no other matters, CMP 13 President Bainimarama suspended plenary.

SBSTA

MATTERS RELATING TO AGREEMENT ARTICLE 6: Hugh Sealy (Maldives) and Kelley Kizzier (EU) co-chaired the contact group. The Co-Chairs presented three informal notes prepared on each sub-item, based on views submitted by parties and roundtable discussions on Sunday, 5 November, containing potential elements, sub-elements and possible further elements. Many parties supported the texts as a basis for further discussions, but noted further work is needed. Most parties advocated first reaching agreement on the headings and then diving down into the substance, with some suggesting focus on the substance first. Informal consultations will continue.

Paris Agreement Article 6.2: On internationally transferred mitigation outcomes (ITMOs) Co-Chair Kizzier invited discussion on elements of their informal note, focusing first on major

headings, and then on sub-headings in the areas of: principles; definitions; guidance for countries using ITMOs toward their NDCs; and guidance for countries creating/issuing ITMOs. Parties suggested additional headings, including: adaptation ambition; scope; negative social and economic impacts; governance/institutions; sustainable development; environmental integrity; and restrictive practices in purchasing of ITMOs. Some suggested additional principles and definitions, with others suggesting a preambular section. Informal consultations will convene.

AGRICULTURE: Informal consultations were co-facilitated by Emmanuel Dlamini (Swaziland) and Heikki Granholm (Finland). Participants discussed: the need for concrete outputs linked to implementation; and the possibility of a Secretariat mapping exercise to provide information on agriculture work already undertaken by other Convention bodies. Informal consultations will continue.

SBI

REPORT OF THE ADAPTATION COMMITTEE: Richard Merzian (Australia) and Hamza Tber (Morocco) co-facilitated the informal consultations. Parties discussed two recommendations made by the Adaptation Committee, namely, review of adaptation-related institutional arrangements and methodologies for assessing adaptation needs. Several countries noted: that the recommendations made in the report are “politically charged” and constitute a balance that has taken two years to develop; and linkages with APA agenda item 4 (adaptation communication) and 8 (further matters). Informal consultations will continue.

MATTERS RELATING TO CLIMATE FINANCE:

Third Review of the Adaptation Fund: Informal consultations met, co-facilitated by Patience Dampsey (Ghana) and Gemma O’Reilly (Ireland). Parties welcomed the third review (FCCC/TP/2017/6), with many highlighting the Fund’s success. One developing country objected to discussion under the agenda item consideration of paragraphs in the review referring to funds “collapsing into each other.” Another developing country argued that the review cannot be discussed without considering the wider context related to, *inter alia*, developing country commitments to tackle adaptation in their NDCs, and climate science. The Co-Facilitators welcomed parties’ textual suggestions. Consultations will continue.

SBSTA/SBI

WIM: Beth Lavender (Canada) and Alf Wills (South Africa) co-facilitated informal consultations. Developing countries proposed that a decision on this item include reference to, *inter alia*: user-friendly knowledge products; the WIM becoming a permanent agenda item of the SBs; and including the WIM in the Secretariat’s core budget. Developed countries highlighted, *inter alia*, that: budget issues belong in the budget consultations; resources are more than finance; and a WIM standing item might inhibit progress by the Executive Committee. Consultations will continue.

IN THE CORRIDORS

On the second day, delegates got down to work in the many new rooms of the venue, with many saying “serious effort is now needed” to meet the 2018 deadline for the Paris Agreement work programme. In the early afternoon, a wave of media delivered the welcome news that Syria had signaled its intent to ratify the Agreement, which they implied left the US more isolated. More experienced delegates noted that several others have yet to ratify, although the announcement reinforced calls to remain committed and “stay the course.”

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