

Bangkok Highlights: Saturday, 8 September 2018

On Saturday, the Bangkok Climate Change Conference continued for its penultimate day of negotiations on the PAWP. Countries discussed issues related to, *inter alia*:

- common timeframes for NDCs;
- market and non-market approaches;
- accounting of financial resources;
- response measures;
- adaptation communication;
- the Adaptation Fund;
- possible additional PAWP items;
- the global stocktake; and
- implementation and compliance.

In the afternoon, heads of delegation met with the SBI, SBSTA, and APA Presiding Officers. A briefing by the Incoming COP 24 Presidency on preparations and arrangements for the Katowice Climate Change Conference also took place.

SBI

Common Timeframes: In informal consultations, Co-Facilitator Marianne Karlsen (Norway) read through the revised bullets, reminding parties of the intention to capture all views. Parties made some clarifications and additions. One developing country group requested that the bullets reflect their proposal that flexibility should apply to the timeframes. A developed country group and a developing country disagreed that the Paris Agreement allows for flexibility in common timeframes.

On procedural issues, a developing country group requested adding that COP 24 may adopt procedural conclusions. A developing country requested including an option for a decision at CMA 1-3 in 2018 on this matter.

At the request of a developing country group, the entire text was bracketed. Two other developing country groups expressed disappointment with the outcome.

SBSTA

Matters Related to Article 6 (Market and Non-Market Approaches): Informal consultations continued in the morning, starting with reports back from two informal meetings, on the flow of events under Agreement Article 6.2 (cooperative approaches), and baselines and additionality under Article 6.4 (mechanism). In discussions on Article 6.2 governance, a developed country, supported by others, argued against establishing requirements as pre-conditions for participation, saying that the Agreement contains no mandate for restricting parties' engagement in cooperative approaches. On options for governance, some parties advocated relying on the transparency

framework's technical expert review for reporting and review, while others advocated dividing the mandate between the framework and a dedicated review body under Article 6.2, or a broader Article 6 body. A developing country group argued that many reporting and review functions can be covered by publicly available, real-time, high-quality data logged in infrastructure such as a centralized registry, an international transaction log, and a centralized accounting database.

In the afternoon, parties discussed transition in the context of Article 6.4. Some argued for the continuity of Kyoto Protocol units, methodologies, and accreditation standards, stressing that otherwise private sector trust and confidence would be breached. Others countered that the Agreement and the Protocol are legally distinct, with different principles and requirements. They warned that while the mechanism should learn from the Protocol's methodologies and institutions, it would undermine parties' mitigation commitments under the Agreement if Certified Emission Reductions (CERs) and other units are transitioned.

Accounting of Financial Resources Provided through Public Interventions under Agreement Article 9.7: Co-Facilitator Delphine Eyraud (France) solicited parties' views on the revised draft negotiating text, which incorporates submissions from six groups and parties. Parties provided clarifications and added text, with several countries requesting a clear numbering scheme to facilitate negotiations. A developing country group expressed concern that some current reporting parameters are bracketed in the text, and urged parties not to "backslide" on enhanced accounting. Another developing country group suggested that the Co-Facilitators verify that elements of the draft text conform to Agreement Articles 9 (finance) and 13 (transparency framework).

In preparation for the final informal consultation on Sunday, the Co-Facilitators encouraged parties to consider the procedure for advancing work. A developing country group stressed that the text will not "automatically" transfer to APA agenda item 5 (transparency framework). The Co-Facilitators will consult with the SBSTA Chair and the APA agenda item 5 Co-Facilitators and will produce a final iteration of the draft negotiating text.

SBI/SBSTA

Improved Forum on Response Measures and Work Programme: In informal consultations, parties considered the Co-Facilitators' second iteration of draft text, including draft decision text and annexed guidance on modalities, work programme, and functions of the forum. A developing country group, supported by others, requested re-insertion of a detailed work programme, which had been replaced in the annexed guidance by a placeholder requesting submissions on the work programme by 15 November. Several developed countries objected to this "intersessional work." A developing country group, supported by others, added a new

option in the modalities section with references to international trade, and requested other additions to the draft decision text. Several developed countries reacted by insisting that the draft decision contain options, and called the “burgeoning” text a “step backward.” Co-Facilitator Andrei Marcu (Belize) promised a third iteration for Sunday morning, but cautioned that parties’ requests would complicate his mandate to streamline the text.

APA

Adaptation Communication: In informal consultations, parties focused on the elements of the adaptation communication guidance and the need for vehicle-specific guidance. Many suggested possible common elements, such as: national circumstances; impacts, vulnerabilities, and risk assessments; national goals; and adaptation priorities, policies, plans, actions, strategies, and/or programmes. One group and a developed country suggested using headings similar to these elements. Several developing country groups cited adaptation support needs as a common element. One developing country underscored that all elements should be opt-in/opt-out.

On vehicle-specific guidance, two developing country groups stated that it is necessary to develop guidance for NDCs as a vehicle. Three other developing country groups, and some developed countries, opposed, citing the need for one form of guidance and flexibility in vehicle choice. Informal consultations reconvened in the afternoon to discuss a new iteration of the tool.

Issues Related to the Adaptation Fund: In the morning, Victor Viñas (Dominican Republic), Chair of the Adaptation Fund Board (AFB), presented on the Fund’s operating modalities, social and environmental safeguards, and recent enhancements. Parties asked the AFB Chair, the Secretariat, and the interim trustee (the World Bank) about institutional arrangements that would allow the Fund to serve the Paris Agreement, including if the interim trustee could receive funding through a new financial mechanism. Parties requested that the AFB prepare a report on the legal consequences of different governance options.

In the afternoon, discussions focused on a revised version of the informal note. On governance, parties clarified their views on timing, exclusivity, and the need for a transitional period. Several groups requested that the Co-Facilitators circulate a document that clearly reflects parties’ separate submissions. On Board composition, a developing country expressed discomfort with the introduction of new concepts in the text, which he said lacked a clear rationale. Discussion will continue in informal consultations.

Further Matters Except the Adaptation Fund: Discussions focused on new proposals for possible additional PAWP matters on: guidance on NDC adjustment (Agreement Article 4.11); loss and damage; modalities for biennially communicating finance information (Agreement Article 9.5); setting a new collective finance goal; and initial guidance to the operating entities of the Financial Mechanism, and to the LDCF and SDCF.

Parties read out proposed changes. Following concerns from two countries that changes would be incorporated into the Co-Chairs’ tool without discussion, parties agreed that the revised tool will capture progress made in the session and that the entire text will be bracketed.

Committee to Facilitate Implementation and Promote Compliance

In morning informal consultations, delegates reported that agreement was reached in informal consultations to retain text on the committee’s: composition; members; bureau; quorum requirements; decision-making procedure; and rules of procedure. They noted a diversity of views on whether various other elements should be retained.

Views diverged on what information should be contained in the committee’s annual report to the CMA and on whether to specify this. A developing country group, with a developed country, supported not including information on any decisions in cases of self-referral, while another developing country said the report should not name any party involved. Many developed countries supported omitting detail on the information to be included in the report.

A developing country group suggested that the committee should have one co-chair from an Annex I party and one from a non-Annex I party. Several developed countries strongly opposed. A third iteration of the Co-Chairs’ tool was prepared.

In the afternoon, Co-Facilitator Janine Coye-Felson (Belize) presented a third iteration of the Co-Chairs’ tool. Delegates generally welcomed the document as containing the views of all parties, while noting that disagreements remained on both format and substance. They expressed trust in the Co-Facilitators’ ability to take the tool forward as a basis for negotiations. Delegates provided input to clarify options in the text and highlighted areas in which previous proposals had not been adequately reflected. A fourth and final iteration of the Co-Chairs’ tool will be prepared on this basis.

Global Stocktake: In informal consultations, delegates welcomed a second iteration of the Co-Chairs’ tool, and provided comments to further streamline the text and ensure the views of all parties were sufficiently represented, with one delegate describing the text as a “pick your own adventure” in light of the large number of potential options for the global stocktake. A developing country group expressed concern about the active participation of non-party stakeholders in the global stocktake and reiterated his suggestion that non-party stakeholder participation should take place in a separate forum. Regarding input from other UN bodies to the stocktake, the group also suggested inclusion of a caveat that these bodies “will respect” the UNFCCC process, noting that this respect is “currently in question.” Informal consultations convened in the evening.

In the Corridors

On Saturday, negotiators spent much of their last full negotiating day scrambling to complete discussions and documents. Mitigation negotiations in particular were largely thwarted by a stalemate among major parties on differentiation, prompting many to question how the impasse could be overcome. They have “dug their heels in,” opined one seasoned negotiator.

Meanwhile, a briefing by the Incoming COP Presidency on preparations for Katowice focused many on the process towards COP 24. Consultations with heads of delegation on mandating the SB Presiding Officers to undertake intersessional work were “encouraging,” arriving at a joint reflections note that will identify ways forward, and could include text proposals to help advance negotiations. Questions remained, however, about how the Talanoa Dialogue would conclude its work, how parties would negotiate the COP Presidency’s proposed three declarations intersessionally, and how the IPCC’s Special Report on 1.5°C, due in October, would inform a successful outcome in Katowice. As negotiators hunkered down for a long evening of work ahead, some were heard hoping that the abundant energy from the day’s global #RiseforClimate mobilization would help boost them through to a successful finish on Sunday.

The *Earth Negotiations Bulletin* summary and analysis of the Bangkok Climate Change Conference will be available on Wednesday, 12 September 2018 at <http://enb.iisd.org/climate/sb48-2/>