

Katowice Climate Change Conference Friday, 7 December 2018

The Katowice Climate Change Conference continued in informal consultations throughout the day, many of which focused on the Paris Agreement Work Programme (PAWP) under the subsidiary bodies. In the evening, the APA met in a stocktaking session. The multilateral assessment and facilitative sharing of views concluded their work for this session.

SBI

Public Registry referred to in Agreement Article 4.12 (NDC registry): Co-Facilitator Peter Wittoeck (Belgium) invited reactions to a second iteration of draft decision text. Parties expressed preferences between three options contained in the main decision text: two options referring to adopting the modalities and procedures for the registry's operation; and one to not adopt specific modalities and procedures. Parties expressed diverging views on: removal of the registry's search function; and whether there should be one or two registries, with some proposing having one portal with access to two registries. A developing country group proposed adding text on "one registry with two sections, one for NDCs and one for adaptation communication."

A developed country suggested parties continue discussions in an informal setting, focusing on whether: to remove the search function; to allow for deleting of NDCs from the registry; to adopt modalities and procedures; and to revisit the registry issue at a later date.

Parties mandated the Co-Facilitators to prepare a new iteration of the text later on Friday, 7 December. Parties also requested a short informal consultations for both registry items on Saturday, 8 December.

WIM: Lisa Gittos (Australia) co-facilitated informal consultations and asked for parties' views on draft conclusions prepared after the previous evening's informal consultations. Parties agreed to forward the draft conclusions and decision for adoption by the SBI and SBSTA.

SBSTA

Agreement Article 6 (Cooperative Approaches): During morning informal consultations on CMA draft decisions, co-facilitated by Muslim Anshari Rahman (Singapore), parties exchanged views on the governance of the framework for non-market approaches (NMAs). Some preferred to continue work without creating a new body, either under a subsidiary body or

an NMA forum to determine the need for governance agreements after the completion of certain activities under the framework's work programme. Others called for establishing a task force, held in conjunction with meetings of the subsidiary bodies, to maintain and operationalize the broader nature of NMAs, citing frameworks on technology transfer or adaptation as examples. One party stressed that the taskforce could address concerns and questions, including by addressing linkages between mitigation and adaptation, and "matching them" to means of implementation by building on existing processes and institutional arrangements.

In the afternoon, co-facilitated by Kelley Kizzier (Ireland), parties engaged on the possible transition of activities under the Kyoto Protocol, such as the Clean Development Mechanism (CDM), to Paris Agreement Article 6.4 activities (mechanism). Several developing countries supported such a transition, stressing it would build credibility and ensure demand for certified emission reductions.

Many other parties opposed, with one developed country group stressing that parties should first establish a credible system before making decisions on transitioning. Another group expressed concern that the large supply of Kyoto Protocol units could undermine prices and limit mitigation results. A number of parties said a transition of current projects could be considered, if they met certain conditions.

In the evening, the group addressed other areas of concern, including: avoidance of double counting and the need for adjustments where ITMOs were used outside of the UNFCCC; response measures; and references to human rights. They also continued deliberations on the work programme under Agreement Article 6.8 (the Framework for NMAs). Informal informals continued.

Local Communities and Indigenous Peoples' Platform: In informal consultations, Co-Facilitator Majid Shafiepour (Iran) presented a clean draft decision text, which was welcomed by parties and indigenous peoples. Indigenous peoples suggested that the process, where indigenous peoples had a seat at the table, sets an example for the future. Shafiepour invited nominations for the facilitative working group which will be established by the decision. Parties agreed to forward the draft decision to the SBSTA plenary.

Agriculture: Informal consultations were co-facilitated by Milagros Sandoval (Peru). Parties approved the draft conclusions, adding a paragraph asking SBI 50 and SBSTA 50 to continue considering a proposal by New Zealand to host an intersessional workshop. Many parties emphasized the need: for the workshop

report to highlight how the constituted bodies under the Convention contribute to work on agriculture; for submissions to be as informative as possible; to move from procedural considerations to considering how the Koronivia process can inform action on the ground, including with regard to small-scale farmers, food security, gender equity, and poverty eradication. The draft conclusions will be forwarded to the SBI and SBSTA for adoption.

APA

Mitigation Section of Decision 1/CP.21 (the Paris

Outcome): In the morning, Co-Facilitator Federica Fricano (Italy) introduced the second iteration of text, prepared under the APA Co-Chairs' authority, saying it reflects the presiding officers' understanding of an acceptable landing zone.

Parties sought: clarification on the process for advancing work and capturing parties' views and collectively developed textual proposals; and further guidance on areas where work could be focused in party-led consultations. Fricano explained the Co-Facilitators would collect all views and collective proposals raised in the informal consultations and sent by email.

Reacting to the text, one developing country group requested reinsertion of several brackets. Another developing country group, *inter alia*: opposed further consideration, or revision, of guidance on features and information to facilitate clarity, transparency, and understanding (ICTU); called for reintroducing language reflecting the full scope of NDCs into the section on ICTU; and stressed the need for clear operationalization of differentiation in a paragraph on information to be communicated. In a section on ICTU, one developing country suggested adding "how parties' NDCs demonstrate leadership as reflected in Agreement Article 4.4 (developed countries should continue to take the lead by undertaking economy-wide absolute emission reduction targets)."

In the afternoon, Fricano co-facilitated the informal consultations. On the preambular section, many welcomed reference to developing countries' different starting points, capacities, and national circumstances, and highlighted the importance of capacity-building support. Parties diverged on whether to refer to Agreement Article 3 (NDCs), with some stressing the scope of guidance under this agenda item is mitigation only and others saying it applies to the "full scope" of the NDC.

On features, parties diverged on whether, and when, to continue consideration of further guidance. One developing country group and one developed country requested bringing back substantive text on features.

On ICTU, parties diverged on whether to reference Agreement Article 4.4 (developed countries taking the lead and developing countries continuing to enhance efforts). One developing country called for either differentiating between developed and developing countries or inserting "if/as applicable/appropriate" in various parts of the text. Many developed and developing countries suggested including "as applicable/appropriate" in some elements as a way to allow for differentiation or flexibility for developing countries. One developing country group and two developed countries said all countries "shall" provide ICTU "as applicable."

Developed countries and a developing country group called for the reinsertion of text on different types of NDCs. One developing country said the text did not accommodate for policies- and measures-based NDCs.

On accounting, one developing country called for brackets around text on avoidance of double counting. Many developing countries and a group called for clarifying text relating to avoidance of double counting, with most suggesting references to corresponding adjustments. A developing country group said the text does not yet ensure environmental integrity.

Fricano said the deadline for submitting views and agreed language for consideration in the next APA Co-Chairs' iteration text was 10:00 pm the same night.

Adaptation Communication: Julio Cordano (Chile) co-facilitated informal consultations and asked for parties' views on the APA Co-Chairs' second iteration of the draft text. While many parties welcomed the Co-Facilitators' effort, many also expressed concerns over language in, or brackets around, individual paragraphs, and lamented that paragraphs, such as on principles, had been deleted from the previous iteration. Many also noted that much detail on information related to climate change impacts and adaptation had been deleted in the second iteration of draft text under APA agenda item 5 (transparency framework), with several parties calling for considering importing some of those elements into the guidance on adaptation communication. Cordano said a new iteration of the draft text would be prepared after informal informal consultations taking place in the evening.

Transparency Framework: In the morning, co-facilitator Andrew Rakestraw (US) suggested, and parties agreed, that in lieu of discussing the APA Co-Chairs' revised text, which was not yet released, the group would continue technical negotiations in informal informals.

In the afternoon, Co-Facilitator Rakestraw invited parties' views on the APA Co-Chairs' iteration of draft text. Parties accepted the text as the basis for further negotiations, but raised numerous concerns, especially on provisions for flexibility. Some expressed concern that the time remaining would be insufficient to finish "homework" in informal informal discussions before a 10:00 pm deadline for final submissions. Discussions continued into the evening.

Global Stocktake (GST): In informal consultations, co-facilitated by Outi Honkatukia (Finland), parties shared initial reviews of the APA Co-Chairs' iteration of draft text, focusing on the options outlined in the text. Many welcomed the text, with the exception of one group. Several developing countries expressed concern over the lack of references for operationalizing equity in the framework, and opposed references to "eligible" developing countries in the paragraph on the provision of funding for participation. One developing country group further opposed references to other categories of developing countries, such as the LDCs and SIDS.

On sources of input, a developing country group suggested, *inter alia*, references to Agreement Articles 9.5 (*ex ante* finance transparency) and 9.7 (*ex post* finance transparency), while a developed country group noted that some possible sources are under negotiation and suggested higher-level guidance.

Implementation and Compliance Committee: In informal consultations co-facilitated by Janine Coye-Felson (Belize), parties focused on the APA Co-Chairs' iteration of draft text, particularly areas which contain brackets, regarding: consent of parties to the committee's consideration; initiation by the committee; and "measures of last resort," including issuing statements of concern and findings of fact in relation to implementation and compliance.

Three groups lamented that their positions had not been reflected in the Co-Chairs' second iteration. Coye-Felson requested parties to move forward and focus on solutions, rather

than bringing back options from the first iteration. Parties agreed to continue discussions in informal informals.

In afternoon informal consultations, co-facilitated by Christina Voigt (Norway), parties reported back from informal informals, noting emerging consensus on: a short open list of matters to be addressed in the rules of procedure; that the committee in its preliminary examination does not need to verify that the referral is not *de minimis* or ill-founded; and flexibility relating to timelines.

A lack of consensus persisted on, *inter alia*: whether to refer to the principle of CBDR-RC, or Agreement Articles 2 (purpose) and 3 (NDCs and progression), or neither; the scope of initiation by the committee; systemic issues; and measures related to finance, technology, and capacity-building bodies or arrangements under or serving the Agreement. Negotiations continued in informal informals.

Further Matters: Possible additional matters: APA Co-Chair Jo Tyndall (New Zealand) invited parties' views on the second iteration of the draft text and drew attention to brackets around the entire text. A developing country explained an in-session submission on loss and damage, urging a procedural decision to expand discussions on loss and damage under the CMA. Several parties shared views on guidance prepared by the Standing Committee on Finance, and agreed they would work to find a way forward.

On possible additional matters, a developing country called for further engagement on Agreement Article 9.5 (*ex ante* financial transparency). Several groups and countries preferred to engage on the issue under the SBI, building on recent discussions at the heads of delegation level and several submissions expected later in the evening. A developing country group proposed drafting text on a timeline to discuss modalities. The Co-Chairs will provide a third iteration of draft text.

APA Stocktaking: APA Co-Chair Sarah Baashan (Saudi Arabia) co-chaired the stocktake. She indicated that the Co-Chairs would issue a second iteration of their texts "as early as possible" in the morning of Saturday, 8 December.

Egypt, for G-77/CHINA, highlighted a lack of balance in the Co-Chairs' draft texts, underscoring concerns regarding, *inter alia*: flexibilities in the transparency framework; differentiation in guidance on NDCs; "essential elements" missing from the compliance text; and a "lack of engagement" on important issues on Agreement Article 9.5.

Australia, for the UMBRELLA GROUP, stressed his group's concerns about "bifurcated structures" in the text on NDCs and the transparency framework, and opposed including loss and damage in the text on the transparency framework. He said it is too early to discuss the post-2025 long-term finance goal.

Maldives, for AOSIS, raised concerns that there was insufficient time to reflect on proposals. He regretted parties' resistance to removing language that would prevent double-counting and require that NDCs must include mitigation.

Gabon, for the AFRICAN GROUP, stressed that: NDC guidance should fully operationalize differentiation; guidance on adaptation communication should define a minimum common set of elements; and the group's preferred options in the draft text on transparency should be re-inserted.

Ethiopia, for the LDCs, called for: reference to Agreement Article 4.6 (LDCs' and SIDS' special circumstances) in guidance for the mitigation section; loss and damage in the transparency framework; and including loss and damage in the overarching scope of, and as a source of input for, the GST.

Expressing deep concern over the omission of important elements and lack of progress on response measures and finance issues under the SBI and SBSTA, Saudi Arabia, for the ARAB GROUP, said he would not accept a "skewed, incomplete package" as the basis for negotiations in the second week.

Colombia, for AILAC, stressed the need for: retaining options for self-differentiation and avoiding a bifurcated approach to NDCs; the implementation and compliance committee to be able to work beyond self-referral; and for the GST's scope and modalities to focus on the Paris Agreement and its long-term goals.

The EU expressed concern about the mixing of qualitative and quantitative indicators under tracking of progress on Agreement Article 6. On loss and damage, she noted willingness to work with other parties and find "action-oriented" solutions.

Underscoring the need to reflect the principles of equity and CBDR-RC in the text, Iran, for the LMDCs, urged: flexibility in both reporting and review in the transparency framework; and operationalizing equity in the GST.

Switzerland, for the EIG, said key elements of mitigation and transparency are missing from the Co-Chairs' iteration. He stressed that Agreement Article 9.5 should only be discussed under the SBI, as agreed by heads of delegation.

INDONESIA called for a complete, coherent, and balanced outcome that is applicable to all but still is under the CBDR-RC principle, emphasizing the need for balance between action and support in the transparency framework.

Argentina, for ARGENTINA, BRAZIL, AND URUGUAY, said real progress would not be possible without properly addressing finance issues and called for building flexibility for developing countries into the procedures of the transparency framework and the implementation and compliance committee.

The US stressed concerns about, *inter alia*: bifurcated guidance on mitigation; bifurcated structures on transparency; references to end dates for flexibility provisions on transparency; loss and damage within transparency and adaptation discussions; scope of the GST; and equity under the GST.

Closing the meeting, Co-Chair Baashan stressed the need to focus on what really are the red lines.

In the Corridors

On Friday, delegates arrived at the venue with their baskets emptier than expected. After Thursday evening's announcement that the APA Co-Chairs would produce new iterations of the text for parties to review on Friday, many were surprised not to have received their gifts by the early morning. Throughout the day, the phrase "we haven't had time to review" echoed room to room, with one party noting that an informal consultation had convened a mere thirteen minutes after the text was released.

The Co-Chairs seemingly used the time wisely, as many of their texts were accepted, or at least not rejected. However, parties quickly identified where language was not acceptable or important issues were left out. In the evening stocktake, the feedback was more negative, seeming disconnected from the technical negotiators engagement with the texts, which prompted one delegate to wonder just how upset "we all, collectively and individually, really are."

With one day left for technical negotiations before the Ministers arrived, some delegates welcomed the impending political guidance. Others sought more time for technical work, being either hopeful that it could deliver progress, or weary and wanting to make sure the preferred options "that ministers must see" are fully on the table.

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