

## Bonn Highlights: Monday, 24 June 2019

The Bonn Climate Change Conference continued on Monday. Negotiations continued on a range of issues. A workshop on Long-term Finance, the multilateral assessment, and the seventh Action for Climate Empowerment (ACE) Dialogue convened.

### SBI

#### Poznan strategic programme on technology transfer:

During the final informal consultations, co-facilitated by Stella Gama (Malawi), parties reported back from party-led consultations on revised draft conclusions. Parties' views diverged on a paragraph recommending that the GEF consider the relevant recommendations in the report of the Technology Executive Committee (TEC) on the updated evaluation of the Poznan strategic programme. One developing group proposed, and others agreed, to a procedural conclusion that will reconsider this issue at SBI 51.

#### Terms of Reference (ToR) for the 2019 Review of the Warsaw International Mechanism for Loss and Damage Associated with Climate Change Impacts (WIM):

Parties commented on Co-Facilitators' elements paper. Many proposed that the review should focus on how the WIM has performed its functions and how its structure has enabled it to do so; addressed action and support; facilitated the implementation of Paris Agreement Article 8 (loss and damage); responded to relevant decisions and recommendations; and enhanced its efforts through cooperation with related work undertaken within and outside the Convention.

One group suggested deleting references to "usability" and "actionability" from the scope. One group expected references to the needs of the most vulnerable countries, while another said that the review should consider overarching principles on gender, vulnerable communities, and indigenous peoples. One group preferred that the review commence from the last review, not the WIM's establishment.

On inputs, some groups called for referencing the IPCC Special Report on 1.5°C of Global Warming.

In the afternoon, parties reiterated diverging views. Two groups cautioned against "singling out" Paris Agreement Article 8 as context of the scope of review. Another preferred referring to Article 8 throughout more sections of the ToR. That group preferred the review's focus be limited to the WIM's "performance" and suggested deleting a reference to its "functions" in this context. Other groups disagreed, calling for expanding the reference to the functions as specified in decision 2/CP.19 (WIM). One group stressed the review must focus on methods to enhance the WIM.

**Arrangements for Intergovernmental Meetings:** Participants offered support for Facilitator Una May Gordon (Jamaica)'s draft text. One party group called for a framework to mitigate conflicts of interest of non-party stakeholders. Other parties raised concerns about, among others, a reference to the frequency of sessions; references to the value of observer engagement; reference to the drafting of future agendas; and repetitions in the draft to be streamlined. One opposed a provision calling on parties to "voluntarily support" admitted observer organizations, while another raised the possibility of a fund under the UNFCCC to support non-party stakeholders from developing countries. A group, supported by others, requested language explicitly referring to youth participation. Facilitator Gordon will prepare a new draft to reflect views. Discussions will continue.

### SBSTA

**Methodological Issues under the Paris Agreement:** Co-Chairs Helen Plume (New Zealand) and Xiang Gao (China) reported back on consultations for agenda sub-items, including common reporting tables (CRTs); common tabular formats (CTFs) for tracking progress; CTFs for support; and outlines of the biennial transparency reports (BTR), national inventory document, and technical expert review (TER) report. Co-Facilitator Jae Hyuk Jung (Republic of Korea) reported on training programmes for experts in the TER.

Co-Chair Plume presented potential draft conclusions. Parties expressed views on, among others: discussing flexibility beyond modalities, procedures, and guidelines (MPGs); a synthesis paper prepared by Secretariat for party submissions, with Singapore, for the G-77/CHINA, and others expressing concern; a technical paper prepared by Secretariat; and respecting the principle of "no backsliding." The Co-Chairs will update the draft conclusions to reflect party views. Discussions will continue.

#### Common tabular formats (CTFs) for information necessary to track progress made in implementing and achieving

**NDCs:** Helen Plume (New Zealand) and Xiang Gao (China) co-facilitated. Many agreed that indicators were self-determined, qualitative or quantitative, and captured in both narrative and table formats. A group of parties distinguished information on response measures from mitigation co-benefits. A group of parties suggested including indicators needed to track progress along with the methodology needed to determine them. On the structured summaries, some suggested that the NDC targets be restated with a determination of whether or not the targets were met. The Co-Facilitators will prepare an informal note.

**CTFs for support:** Informal consultations, co-facilitated by Delphine Eyraud (France), focused on technology development and transfer, and capacity-building support provided and received. Countries highlighted the need to hear from the experiences of

parties reporting under current arrangements. Several countries highlighted the links with reporting for technology development and transfer, and capacity building with reporting on finance provided and received. Parties suggested ways to avoid double counting or double reporting. The Co-Facilitators will develop an informal note that includes preliminary tables for consideration.

**Article 6:** Parties resumed discussions on response measures. A number of groups and parties stressed the “integral” nature of response measures to the Paris Agreement and urged consideration of how Article 6 informs the work on response measures.

On accounting issues, some parties and groups advocated for a common accounting system, with some calling for a centralized registry, and cautioned against a menu approach. Parties held diverging views on ITMOs and Article 6.4 activities and NDC scope. Some parties identified a possible middle ground between restricting Article 6 activities to NDC scope and allowing actions outside of the scope, proposing that transfers from outside NDCs be allowed with clear incentives for progression into NDCs. On single-year/multi-year accounting, parties expressed preferences for real-time accounting, while others wanted harmonization with BTRs.

On transition, some parties and groups expressed the need to identify the new arrangements so that a transition process could be worked out, while some parties stressed the importance of preserving the environmental integrity of the Paris Agreement. Others worried that ineligibility of Kyoto Protocol units would undermine private sector confidence. Some suggested that Kyoto Protocol activities be subject to authorization by the supervisory committee and be allowed expedited registration. Parties finished their exchange of views on the list of the unresolved issues.

On the next steps, a number of parties proposed technical papers to further clarify matters such as single/multi-year accounting. Others opposed. The Co-Facilitators said that they would issue a new iteration of the draft text in the evening of 24 June.

In the contact group setting, SBSTA Chair Watkinson (France) said the purpose of the contact group meeting was to take stock of the progress made so far and to identify how to move forward. Many parties welcomed the exchange of views during the session. A group of parties, supported by others, said that it was not possible to identify next steps until the new iteration of the text was released. A group of parties, opposed by some, proposed the production of a technical paper on corresponding adjustments or a workshop to further exchange views. The Co-Facilitators will release a new iteration of the text and discussions will continue in informal consultations.

### **SBSTA/SBI**

**Response Measures:** Reflecting on the Co-Facilitators’ revised paper, parties called for a better balancing of work programme activities under all four functions. One group opposed the references to activities on needs and finance. Another disagreed, stressing that needs assessment will identify support required to address response measures, and also reminded that specific sectors and policy issues of concern must be addressed. They did not support the development of guidelines for economic diversification, cautioning against prescriptiveness. One group suggested a reference to the timeline of activities would be helpful.

**Koronivia Joint Work on Agriculture:** In informal consultations, parties identified elements for the draft conclusions. On engagement with the constituted bodies and operating

entities of the financial mechanism, several developing country groups called for a COP 25 decision to mandate those bodies to further implement. Some developed countries opposed a COP 25 decision, noting that the constituted bodies already have a mandate to continue engaging in workshops and that a decision is not mandated until COP 26. One group suggested recognizing work undertaken by the FAO, while developing countries noted that the FAO is an observer. On the intersessional workshop, developing countries called for balanced participation of experts and topics discussed. Parties engaged in informal informal consultations.

**Scope of the Next Periodic Review of the Long-term Global Goal (LTGG) under the Convention and of Overall Progress towards Achieving it:** The Co-Facilitators Leon Charles (Grenada) and Madoka Yoshino (Japan) presented revised draft conclusions. One group presented a new bridging proposal which suggested, among others, to agree that the second periodic review would seek to “enhance understanding” of the LTGG. Other groups affirmed that this proposal covered their previous proposals. One party suggested using the proposal as a basis for drafting, opposed by many who considered the proposal a “step backwards.” Other parties suggested deferring discussions to SB 51 and moving towards draft procedural conclusions. One party, supported by others, requested an additional session. Discussions will continue.

### **Workshop on Long-term Finance**

The workshop focused on: the provision of financial and technical support in the context of holding global average temperature rise under 2°C and 1.5°C; enhancing the effectiveness of climate finance from the perspective of providers and recipients; and ensuring greater predictability of finance. Speakers and panelists highlighted the need for: low-carbon investments to overtake fossil investments globally by 2025, with a marked upscaling in low-carbon capital to reach the 1.5°C target; greater collaboration between the climate finance and climate science communities; and synergies with the Sustainable Development Goals (SDGs) and Addis Ababa Action Agenda, while recognizing that actions consistent with an energy transformation could either increase or reduce the costs of achieving the SDGs.

Breakout groups were held on: provision of financial and technical support; mobilization, delivery, and access to finance; biennial submissions on strategies and approaches; and effectiveness of climate finance.

### **In the Corridors**

Monday marked the start of a heat wave, and delegates felt a similar rising heat inside the venue as deadlines loomed.

As some issues’ conclusions teetered toward the edge of COP 25, more cynical delegates wondered whether additional informal consultations might just be delaying the inevitable. Others, though, saw Article 6 as involving inherently political choices that must be decided at the COP before “truly technical” work can begin. Another delegate saw Tuesday, when parties would respond to the draft text, as the “coming sign of things to come.”

Meanwhile, in the WIM review, some found hope in a slow convergence of views. Reporting from progress there, one delegate explained that parties “clearly stated from the beginning that they did not expect a definition of the WIM’s long-term vision from this session—or the review.” Instead, she explained, “we can work on the basis of our collective understanding inscribed in our past decisions.”