

## Chile/Madrid Climate Change Conference: Thursday, 5 December 2019

The Chile/Madrid Climate Change Conference continued on Thursday, with negotiations focusing on transparency, finance, loss and damage, and Article 6 (cooperative approaches), among others. The COP Presidency convened a ministerial event on forests. The Intergovernmental Panel on Climate Change (IPCC) and SBSTA convened a special event on the IPCC Special Report on the Ocean and Cryosphere in a Changing Climate (SROCC).

### COP 25

**Matters Relating to Finance: Report of, and guidance to, the GCF:** Informal consultations were co-facilitated by Amena Yauvoli (Fiji). Javier Manzanares, GCF, with GCF legal staff, presented and responded to parties' questions on: GCF First Replenishment (GCF-1) terminology; disbursement of funds; direct access experiences; and the legal status of the GCF as per its governing instrument paragraphs 7 and 8 (on juridical personality, and privileges and immunities).

Responding to clarifications sought by parties during the Wednesday contact group session, Manzanares explained, *inter alia*: the introduction of Special Drawing Rights to provide a uniform approach to expressing pledges; use of "credit earned due to early payment encashment" in the total replenishment figure; how the GCF has been supporting direct access; and how the absence of privileges and immunities is "hindering the GCF from reaching its full potential."

Parties' questions related to, *inter alia*: consistency of reporting on replenishment figures; disbursement data; unfulfilled pledges; and evaluating the accreditation process. Parties also had questions on privileges and immunities, including on expected benefits and implications, in particular of a possible UN linkage. Parties suggested requesting a report on how the absence of privileges and immunities has hindered the GCF's operations. Countries mandated the Co-Facilitators to prepare a first draft text under this agenda sub-item for consideration on Friday, 6 December.

**Matters Relating to Finance: Report of, and guidance to, the GEF:** Informal consultations were co-facilitated by Toru Sugio (Japan). Chizuru Aoki, GEF Secretariat, presented and responded to parties' questions on, *inter alia*: difficulties faced by countries in accessing resources; System for Transparent Allocation of Resources (STAR) allocations; accessing Capacity-building Initiative for Transparency (CBIT) resources; and support for reporting required under the Convention and the

Paris Agreement. Aoki made clarifications relating to: different ways in which developing country reporting is supported; the need for formal submissions by GEF Implementing Agencies for access to resources; and the current STAR policy, including its weighting to provide additional support to LDCs and SIDS. She also highlighted: support to 46 intended NDCs; continued availability of CBIT funds; and sufficient availability of data to inform rolling out of support to Biennial Transparency Reports under the Paris Agreement. Some parties enquired about specific access-related challenges, including not having a STAR allocation and suspension of approved or proposed projects, with the GEF Secretariat noting an absence of proposals in the Secretariat's database from some of the countries enquiring. Parties agreed to allow for further submissions until Friday afternoon, 6 December. Informal consultations will continue.

**Matters relating to the SCF:** In informal consultations, Co-Facilitator Rob Moore (UK) noted constructive discussions on Wednesday and parties' requests for further discussions before providing a mandate to the Co-Facilitators to prepare draft decision text. He invited parties to share views to inform the preparation of the text. Parties exchanged differing views on the capacity in which SCF members should be represented in the deliberations. Some expressed dissatisfaction with not having the SCF Co-Chairs present. Others referred to opportunities to seek such clarifications before the COP, and noted that a deadline for in-session submissions has already passed. Parties agreed, to extend the deadline for further submissions to Friday, 6 December, at noon, and to consult informally on the way forward.

**Long-term finance:** During informal consultations, parties commented on a draft COP decision prepared by the Co-Facilitators. Parties welcomed what they viewed as relevant elements, noted unacceptable areas, and suggested opportunities for streamlining. Several developed country parties highlighted the importance of emphasizing results achieved so far, and cautioned against Paris Agreement language in a COP decision.

Several developing country parties emphasized the importance of scaling up adaptation finance, and called for clarity with regards to developed country parties' progress towards achieving the goal of jointly mobilizing USD 100 billion annually by 2020. One party called for specific numbers with regards to recent pledges to the Adaptation Fund, Least Developed Countries Fund, and GCF.

The Co-Chairs will streamline the text by Friday, 6 December, with the understanding that inputs made by parties during the session will be taken into account.

**CMA 2**

**Matters Relating to Finance: Guidance to the GCF:** This sub-item was taken up in joint informal consultations with the COP.

**Guidance to the GEF:** This sub-item was taken up in joint informal consultations with the COP.

**Matters relating to the SCF:** This sub-item was taken up in joint informal consultations with the COP.

**SBI 51**

**Reporting from Non-Annex I Parties: Report and terms of reference of the Consultative Group of Experts (CGE):**

In informal consultations, co-facilitated by Sin Liang Cheah (Singapore), several developing country groups rejected a review of the CGE's composition, saying such a review is beyond the mandate of the discussions. Two non-Annex I parties that are not in developing-country regions supported the review, seeking to correct a "historic mistake" in the CGE's design.

Three developing country groups called for the CGE to participate in the review of developing countries' biennial transparency reports under the Paris Agreement. One developed country opposed, saying that COP 24 decided the composition of the technical expert review (TER) teams, and another developed country queried the CGE's capacity to undertake this task. Some developing countries noted links to SBSTA discussions on the training of experts for the TER teams, suggesting the CGE should have a role in the design and implementation of the training materials. Informal informal consultations will convene.

**Gender:** In informal consultations, co-facilitated by Jorge Pinto Antunes (EU), parties supported the draft decision text and annexed gender action plan as the basis for further consideration. Some developed countries suggested that the decision and plan must focus more on implementation by countries. On monitoring and evaluation, some developing countries called for removing language on tracking implementation, preferring to implement and report on their efforts. Informal informal consultations will convene.

**SBSTA 51**

**Methodological Issues under the Convention: Greenhouse gas (GHG) data interface:** During informal consultations, parties considered draft conclusions prepared by Co-Facilitators Clifford Mahlung (Jamaica) and Riitta Pipatti (Finland). Views diverged on whether the SBSTA should continue its consideration of the matter, with developing country groups viewing the mandated task as completed for the time being. Parties engaged in lengthy discussions about requesting the Secretariat: to continue to regularly update the information contained in the GHG data interface in line with the guiding principles set out at SBSTA 30; and whether also requesting it to enable the GHG data interface to display data from the most recent submissions from parties. Consultations will continue.

**Methodological Issues under the Paris Agreement:** Xiang Gao (China) and Helen Plume (New Zealand) co-chaired the contact group. Co-Chair Xiang invited reports on informal consultations on sub-items.

On common reporting tables for national inventory reports, the group reported discussing specific tables, as well as efforts to consolidate tables to be consistent with the 2006 IPCC guidelines.

On common tabular formats (CTFs) for the information necessary to track progress made in implementing and achieving NDCs, the group reported constructive discussions on projection tables and flexibility provisions.

On CTFs of the information on support provided and mobilized, and needed and received, the group reported a productive session and aim to circulate an informal note to parties by end of Thursday, 5 December.

On outlines of the biennial transparency report, national inventory document, and TER report pursuant to the modalities, procedures and guidelines (MPGs) for the transparency framework, the group reported that parties have provided specific written input, including on ways to reflect flexibility and level of detail.

On the training programme for technical experts participating in the TER, the group reported agreement on who will develop the programme.

Parties discussed flexibility across reporting, with many, including India, for the LMDCs, CANADA, AUSTRALIA, the US, and the REPUBLIC OF KOREA, arguing that flexibility provisions are clearly stated in the MPGs, with others, including South Africa, for the AFRICAN GROUP, arguing that the MPGs are not an exhaustive list. Parties also discussed, *inter alia*, ways to operationalize flexibility, including notation keys, footnotes, and summary tables; and the acceptability of deleting rows and columns in tables if information is not available.

Many parties clarified that any informal note should take into account the diversity of views. Co-Chair Xiang invoked the possibility of intersessional work, with the EU, AUSTRALIA, the US, Saint Kitts and Nevis, for AOSIS, and Switzerland, for EIG, supporting; and Saudi Arabia, for the ARAB GROUP, CHINA, and EGYPT objecting. The Co-Chairs will prepare a draft informal note for consideration.

**Matters Relating to Science: Research and systematic observation:** Co-Facilitators Elizabeth Bush (Canada) and Quingchen Chao (China) proposed draft text and collected views on potential amendments.

One party noted that it had proposed a paragraph requesting the SBSTA to produce a report on "gaps in climate science," and said that it did not consent to the draft text, requesting that the entire text be bracketed.

Views strongly diverged on whether to "welcome," "note," or "note with appreciation" the release of the IPCC Special Reports on Climate Change and Land, and the Ocean and Cryosphere in a Changing Climate. Views also diverged on whether to "note with concern" the state of the global climate system.

The Co-Facilitators will reflect views in further iterations of draft text and provide time for informal informal consultations.

**Matters Relating to Article 6 of the Paris Agreement:**

**Article 6.2 (ITMOs):** In informal consultations, co-facilitated by Hugh Sealy (Barbados) and Peer Stiansen (Norway), a number of parties commented on the new version of the draft CMA decision distributed on Wednesday, 4 December, with annexed guidance on 6.2 cooperative approaches divided into nine sections. Comments focused on the sections on internationally transferred mitigation outcomes (ITMOs), review, share of proceeds, overall mitigation in global emissions (OMGE), and responsibilities. Discussions on responsibilities focused on issues of ITMO metrics, multi-versus single year NDCs, sectors and GHGs, other international mitigation purposes, timing and recording of corresponding adjustments, and limits and safeguards. Several parties welcomed text on multi versus single year NDC targets in the context of corresponding adjustments. In the cover decision, several opposed requesting the Secretariat to assist parties in incorporating sectors and or GHGs into their NDCs to enable participation in cooperative approaches.

On the way forward, Co-Facilitator Sealy asked parties to identify “landing grounds” during informal consultations, the next being scheduled for Friday morning. Parties agreed to meet in a second “get together,” which was renamed to “multilateral informal informals with Co-Facilitators” in order to continue “very focused and technical” discussions that had already begun Thursday morning. Evening discussions focused on specific Article 6.4 (mechanism) issues, in particular addressing baselines and additionality.

### **SBSTA/SBI**

**Development and Transfer of Technologies: Joint annual report of the TEC and CTCN:** During informal consultations, co-facilitated by Stella Gama (Malawi), parties heard a report back from informal party-led consultations, which outlined parties’ progress made during a first complete reading of the COP and CMA draft decisions. In the CMA decision, parties took note of developing country parties’ proposal to add, text that encourages parties to provide adequate resources for the effective operation of the CTCN to implement its programme of work on realizing technology development and transfer provided under the Paris Agreement. They noted “with concern” the challenge of securing sustainable financial resources for the CTCN. Some parties viewed the report as “incomplete” based on the CMA mandate and wished to take note of this. The Co-Facilitators will revise the draft text. Parties agreed to continue to engage on the proposals and other outstanding issues informally.

**Report of the Adaptation Committee:** In informal consultations, co-facilitated by Annela Anger-Kraavi (Estonia), parties exchanged views on the Co-Facilitators’ elements of one or two draft texts for the COP and CMA. Discussions centered on whether to “welcome” or “note” the report and on whether and how to reference the Committee’s recommendations, with some developing country groups reiterating concerns over the prominence given to the topic of private sector engagement. Other developing country groups and many developed countries urged welcoming the report and retaining references to the recommendations, emphasizing the Committee was tasked to develop both. Bridging proposals included: the approach taken in the Co-Facilitators’ note where recommendations are indirectly referenced to by pointing to their placement in the Committee’s report; wording on encouraging parties and non-party stakeholders to take the recommendations into account “as appropriate or where relevant”; engaging in substantive discussions on the recommendations to identify those supported by all and include them directly in the outcome document. The Co-Facilitators were mandated to revise the draft elements by the end of the day. Informal consultations will continue.

**WIM:** In informal consultations, co-facilitated by Kishan Kumarsingh (Trinidad and Tobago), parties welcomed the Co-Facilitators’ notes on views expressed and highlighted elements they wished to see added or streamlined. Areas of convergence included: ensuring the work of the WIM is based on best available science/evidence; enhancing collaboration with other bodies and organizations; and providing guidance on promoting accessible formats for outreach products.

A line of divergence pertained to the provision of finance, with developing countries urging new and additional finance for loss and damage, and developed countries emphasizing strengthening awareness and the efficient use of existing resources. Parties also

diverged regarding the breath of the WIM review, with developing countries noting the need for a long-term vision for the WIM and to make structural adjustments to, *inter alia*, ensure the WIM supports countries during or following the onset of hazards giving rise to loss and damage. The Co-Facilitators will prepare revised notes.

**Scope of the Next Periodic Review of the Long-term Global Goal under the Convention and of Overall Progress Towards Achieving it:** Co-Facilitators Leon Charles (Grenada) and Madoka Yoshino (Japan) presented a first iteration of a draft text, outlining options therein. One party group presented a series of amendments that involved, *inter alia*: removing a reference to “scientific” information to be noted in light of the second periodic review; and supporting an option whereby the periodic review would inform the Global Stocktake, as well as deleting options which would seek to end the periodic review. Many developed country parties opposed the latter two, arguing that all options should be maintained, and that “scientific” information remained in the mandate of SBSTA.

The Co-Facilitators will collect views for a new iteration of text, and informal informal consultations will convene.

**Koronivia Joint Work on Agriculture:** Informal consultations, co-facilitated by Milagros Sandoval (Peru), showed broad agreement among parties over engaging in more detail with the reports of the two previous workshops to extract concrete recommendations, as opposed to simply noting the reports. Many developing countries called for beginning to engage on the way forward for the Koronivia process, especially with regard to means of implementation, with a view to adopting a decision at COP 26. Some developed countries opposed discussing further developments at this meeting, with one country requesting clarification on the rationale for focusing on means of implementation. Developing countries emphasized that such reflections would not be formally captured in this meetings’ conclusions. Informal party consultations will continue in the afternoon.

### **In the Corridors**

With the end of the first conference week nearing, the Chilean Presidency has begun putting out feelers on the COP’s first decision, which will aim to encompass the conference’s overall message and legacy. Some delegates intimated that the early draft, developed through preliminary conversations, included a two-year work programme on pre-2020 action and a future, “Koronivia-style” work programme on the ocean and climate change. Science, they suggested, may featured prominently, and one seasoned negotiator hinted that the notion of a just transition may appear in future iterations.

Youth delegates had a different vision of legacy, calling for negotiators to be held accountable for the detrimental legacy of past and current emissions. One Fridays for Future participant was adamant: “it’s not enough for negotiators to do photo ops with us. They need to actively protect our future,” she said, adding “parties can’t keep squirming out of loss and damage discussions.” With rumors of Greta Thunberg winding her way to Madrid, one optimistic delegate leaving the venue hoped that the pressure from the youth movement might motivate negotiators to realize an ambitious, substantive legacy for this COP.

