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Pressure intensifies to complete Paris Agreement implementation rules

Katowice, 6 Dec. (Meena Raman) - Negotiations under the UNFCCC's 24th session of the Conference of the Parties (COP24) in Katowice, Poland, have intensified on Dec. 5, the fourth day of the climate talks, as delegates are under pressure to complete work on the Paris Agreement Work Programme (PAWP) for the implementation of the Agreement by Saturday, 8 Dec, to enable ministers to make the final decisions needed next week. The talks are scheduled to end on 14 Dec.

Many delegates were seen to be in a frenzy, with multiple negotiating sessions and conflicting schedules, especially those dealing with finance related matters, besides attending bilateral meetings with Parties, and meetings of heads of delegations (HODs) with the COP Presidency. Another highlight was the conduct of the technical phase of the stocktake on pre-2020 implementation and ambition held on 5 Dec, with the political phase taking place next week when ministers arrive. (See separate article on pre-2020 implementation).

The pressure on negotiators to complete the PAWP was palpable, as they work overtime late into the nights in an effort to enable the cofacilitators who are conducting informal consultations on the various issues, to produce a first iteration of the negotiating texts by 5 Dec as mandated by the Presiding Officers of the three subsidiary bodies: the Ad Hoc Working Group on Paris Agreement (APA), Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA).

While the first iterations of texts became available to Parties on some of the issues, others are expected to be ready morning of 6 Dec. Meetings with the HODs convened by the COP Presidency have also been taking place since Tuesday, 4 Dec. on some key issues related to finance on the Article

9.5 issue of the Paris Agreement (PA) (see further below) and on the Adaptation Fund. The meetings of the HODs are supposed to help give guidance to negotiators on matters which are viewed as being politically sensitive.

This update presents some key highlights of discussions thus far in the areas of climate finance, technology transfer, nationally determined contributions (NDCs) and the global stocktake (GST).

Article 9.5 (on ex ante information on public financial resources)

Some positive movement was seen on the issue, following the meeting among the HODs on Tuesday, 4 Dec. After a year of stalemate, negotiators finally began discussing "procedural elements" in relation to Article 9.5.

Article 9.5 mandates developed countries to biennially communicate ex-ante information on the projected levels of public financial resources to developing countries. Since last year, developed countries have refused to be drawn into a discussion on "modalities" for the communication of information on Article 9.5, which has been a key demand from developing countries led by the African Group, Like Minded Developing Countries (LMDC) and the Arab Group.

It seems that during the HODs meeting held on 4 Dec, the impasse was somewhat resolved with developed countries agreed to engage in considering "procedural elements" to make the article operational.

However, when informal consultations began, there remained several divergences among Parties especially regarding the scope of the procedural elements. These divergences emerged in discussions under the APA and the SBI. (The APA agenda item on Article 9.5 deals with 'modalities'

for biennially communicating finance information, while the SBI agenda item deals with the 'identification of the information to be provided by Parties.')

During the APA 9.5 discussions, developed countries led by European Union (EU), Norway, United States (US) and Canada made it clear that they were not willing to engage in any discussion that was linked to the review of the information and they wanted discussions restricted to areas around when the information would be made available and where it would be housed. This, they said, was the basis to move ahead, and that they would discuss these issues in the SBI agenda item.

In response, **South Africa** for the **African Group** suggested that the APA agenda item on 9.5 would only be "suspended temporarily" as they would like to first see how the SBI progresses on the issue

During discussions on the issue in the SBI, Parties addressed both the procedural aspects to make Article 9.5 operational as well as the elements as contained in a <u>textual proposal</u> in the joint reflections note by the presiding officers of the APA, SBI and SBSTA. On the procedural aspects, the discussions proved contentious on a number of areas.

South Africa for the African Group said operationalizing Article 9.5 was an obligation of developed countries and they would not agree to notions of encouraging developing countries to provide information. South Africa also said that the information should be housed in a registry and not on the UNFCCC website and that a synthesis report be prepared, following the communication of the information. South Africa also said that a link to the review of information must remain. Ecuador for the LMDC, China and India supported the Africa Group's intervention.

Brazil stressed the need for having a starting date for the provision of information and agreed with South Africa that 2020 would be a good starting date, adding that the idea for the information was not just for the sake of information but was linked to the issue of ambition from developing countries. "More ambition on finance means more ambition on climate action," it said adding that a separate website to house the information would be helpful as the UNFCCC website was a "confusing hub of information". Brazil also said that the information should be compiled and

synthesized and it saw a role for the Standing Committee on Finance (SCF) in the synthesis of the information.

Switzerland and Australia said any review of the information was a "red line" for them and Peru for the Alliance of Latin America and the Caribbean (AILAC) said they did not see any link between ex ante communication of information and ex post review of that information.

The **US** said that discussion beyond the start date and location of information was not needed. The **EU** said that information should be submitted to the UNFCCC website and that their preference for the timing of the first reporting was 2020, but were open to discussing the date. It also said it did not see the role of the SCF in any form.

In relation to the information itself, disagreements arose when developed countries said they were opposed to providing detailed information on the channels of funding, including that for 'loss and damage' in the elaboration of purposes and types of sectors to be supported and information on baseline reference to facilitate an overview of trends over time.

The co-facilitators aimed to capture the views expressed by Parties and an iteration of the text is expected to be out early on 6 Dec.

New collective goal on finance

Developing countries have been calling for initiating a process on setting a new collective quantified goal on finance, that takes into account their needs and priorities from a floor of USD 100 billion per year, as mandated by a decision agreed to by Parties in Paris in 2015. Developed countries led by US, Canada, EU, Japan, Norway, Switzerland and Australia refused to determine a process for setting a new collective goal on finance, claiming that it was too early in the process to deal with this.

(Under paragraph 53 of the Paris decision 1/CP.21, Parties agreed that "...in accordance with Article 9.3 of the Agreement... prior to 2025 the Conference of the Parties serving as the meeting of the Parties to the PA [CMA] shall set a new collective quantified goal from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries").

Developed countries further said that they did not see the issue as being part of the PAWP package to be agreed to in COP 24. In response, **Egypt** for the **G77 and China** clarified that they were not discussing the goal itself but a process to discuss

the goal and that it was rather surprised that the developed countries did not think it was part of the PAWP package. "Implementation of the PAWP and the new goal go hand in hand. We would like to know what is the signal we are sending to the global community when we are saying that we are serious about climate change but we are not even serious about a process to set a goal," stressed Egypt.

China suggested that the issue be dealt with at the HOD level since Parties had already spent a lot of time on the issue but were still miles away from reaching any agreement.

Technology Transfer

In the technology transfer negotiations, sources revealed that developed countries led by the **Umbrella Group** of countries were diluting provisions of the PA by removing references to the principle of common but differentiated responsibilities (CBDR) and bracketing provisions related to the issue of the provision of support in the draft text.

According to a negotiator familiar with the issue, developed countries are also saying that "the PA does not assign support responsibility to developed countries." The negotiator lamented that developed countries had a different view of Article 10.6 of the PA which reads: "Support, including financial support, shall be provided to developing country Parties for the implementation of this Article...," by suggesting that the article did not specify who is to provide the support. This position by the developed countries is being countered by the developing countries, led by the G77 and China.

NDCs

On the issue of NDCs, a nine-page first iteration was issued late afternoon of 5 Dec. Delegations during the informal consultations began giving their preliminary reflections on the draft, with a number of countries expressing their interest in using the document as a starting point for discussions, but also noted various concerns. Parties will continue to provide their views on the document on 6 Dec.

Several Parties including **Egypt**, **Brazil** and the **EU** have begun to raise their concerns around paragraph 6 of the proposed text which relates to how developed and developing countries are to be treated in the provision of information related to their NDCs. The proposal now has options that says that developed countries [shall][may][as

appropriate] provide information related to their NDCs and the same language appears for developing countries too.

Egypt in its preliminary comments said that this was a departure from the mandate provided in Article 4.4 of the PA, which makes clear that developed and developing countries are treated differently (on the type of mitigation actions to be undertaken). It was concerned that having the same treatment for developed and developing countries was a departure from the mandate.

Similar concerns were raised by **Brazil** speaking also for **Argentina and Uruguay** and said that the differentiation between Parties in relation to their NDCs is "in the implementation of their NDCs" and therefore, there was no need for a differentiated approach in the provision of information as each Party should provide the information needed that is applicable to its NDC.

The **EU** supported Brazil and said that the NDC itself decides what information should be provided and this cannot be discretionary (and left to Parties to decide what information they want to communicate).

Global Stocktake

In the informal consultations on the GST, developing country negotiators continued to express frustration that developed countries do not want to discuss how equity is to be operationalized in the conduct of the stocktake. (The PA stipulates that the GST, which is an assessment of the collective progress of Parties towards achieving the purpose of the PA and its long-term goals), has to be carried out in light science and equity and will take place in 2023.)

Developing countries led by the **G77 and China** have made proposals for equity to reflected, by proposing several indicators to measure equity, such as historical responsibility, equitable access to sustainable development and carbon space etc.

Developed countries especially from the **Umbrella Group** of countries which includes the US, are deeply opposed to this approach and according to one developing country negotiator, they have expressed that "they do not understand what equity means, despite all the explanation provided and are refusing to allow the operationalisation of equity in the GST process."

Discussions will continue Dec 6 on all the various agenda items of the PAWP.