

Bonn Highlights: Thursday, 9 June 2022

The fourth conference day saw a flurry of informal consultations, with many discussing draft decision text. Delegates were enmeshed in technical discussions about how to ensure the transition to the Paris Agreement's Enhanced Transparency Framework (ETF) and prepare smooth implementation of cooperative approaches under Article 6, among other issues. One significant milestone was the opening of the technical dialogue under the Global Stocktake (GST), a key means of accountability in the Paris Agreement architecture.

Contact Groups and Informal Consultations

Revision of the UNFCCC reporting guidelines on annual inventories for parties included in Annex I to the Convention:

Informal consultations were co-facilitated by Thiago Mendes (Angola). With respect to harvested wood products, parties generally agreed on the substantive elements of alignment between reporting under the Convention and the Paris Agreement, but several developing country groups opposed a cross-reference to a CMA decision.

The Secretariat reported that a separate web interface could be created for parties to report using the Global Warming Potential (GWP) values from the IPCC's Fifth Assessment Report. She noted this would be a simple solution that would not divert resources from the development of the reporting tools for the ETF. Unless countries decide to report using both the current and new interface, there would be only one output per country, she noted. She also clarified the new interface would only differ with respect to GWP values. One group recapitulated that this would create a "pick and choose" opportunity in the interim before the first submission of Biennial Transparency Reports (BTRs) in 2024.

Parties will discuss informally to prepare a textual proposal.

Revision of the modalities and procedures for international assessment and review (IAR): Revision of the modalities and guidelines for international consultation and analysis (ICA):

Informal consultations on the IAR and ICA agenda items were conducted jointly and facilitated by Tian Wang (China). Delegates agreed there is no need to revise the modalities and procedure for either process at this time. They supported concluding the consideration of this item, noting parties may revisit it in the

future if needed. The co-facilitators will prepare procedural conclusions, including separate draft decisions for the IAR and ICA, for parties' consideration.

Provision of financial and technical support: Co-Facilitator Sin Liang Cheah (Singapore) invited views on how to address this item, noting delegates were not able to agree on conclusions on this matter at SBI 52-55. Noting that the 62nd Global Environment Facility (GEF) Council meeting in June 2022 would provide important input for discussions on this item, delegates agreed to delay textual discussions until SB 57.

The session largely consisted of developing countries raising concerns about the accessibility, adequacy, and timeliness of financial and technical support. A GEF representative answered a number of questions on support for Biennial Update Reports, National Communications, and BTRs. Among others, she emphasized the possibility of bundled approval under expedited modalities whereby requests are approved once they are technically cleared, with no need for Council approval. She also noted that, under GEF-8, eligible countries should be able to get support for two BTRs.

Underscoring that the COP typically defines eligibility criteria for the Financial Mechanism, developing countries requested clarification on whether all developing countries eligible for support are able to access support.

Second periodic review of the long-term global goal under the Convention and of overall progress towards achieving it:

The contact group was co-chaired by Stella Gama (Malawi) and Andrew Ferrone (Luxembourg). They invited parties to provide guidance on the preparation of the summary report of the third meeting of the Structured Expert Dialogue (SED), held at SBSTA 56, and the synthesis report of the second periodic review. Parties agreed that, as the reports are not yet finalized, the group should adopt procedural conclusions at this session. Kenya, for G-77/CHINA, emphasized that the outputs of the second periodic review should contribute to the GST under the Paris Agreement. On guidance, Botswana, for the AFRICAN GROUP, called for a focus on means of implementation as an enabler of progress. Saudi Arabia, for the ARAB GROUP, supported by India, for the LIKE-MINDED DEVELOPING COUNTRIES (LMDCs), called for improved balance between theme 1 (long-term global goal) and theme 2 (progress toward the goal).

Linkages between the Technology Mechanism and the Financial Mechanism of the Convention: In informal consultations, Co-Facilitator Maia Tskhvaradze (Georgia) sought input from delegates on draft decision text.

Some developing countries requested a reference to the Adaptation Fund, arguing the Fund's designated national authorities could help implement linkages. Others objected, noting that the relevant operating entities are the GEF and the Green Climate Fund (GCF), and that the Adaptation Fund only serves the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) and Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) rather than the COP.

The session's main disagreement related to the continuation of work. Developed countries preferred to continue consideration of linkages in the context of discussions on the joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network. Developing countries argued that doing so would not allow for in-depth deliberations.

First periodic assessment referred to in paragraph 69 of decision 1/CP.21: In informal consultations, Co-Facilitator Tskhvaradze invited parties' views on draft text on the interim report on the effectiveness and adequacy of support provided to the Technology Mechanism. A developed country, supported by other parties, argued for a short, procedural decision that gives the Secretariat a mandate to continue revising the interim report. Some countries expressed "serious concerns" with the report, especially the modalities of assessment. Other developing countries called attention to missing information, including on: the role of the Technology Executive Committee, and whether National Designated Entities lack sufficient technical and logistical support. Others questioned the report's timing and whether it may be "out of sync" with the GST. The co-facilitators reinforced that the report is an interim document and that findings are preliminary. They suggested continuing work on the draft text and noted that the Secretariat will consider the concerns raised when revising the report.

Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation: In informal consultations, Co-Facilitator Patience Dampety (Ghana) invited parties' views on operational aspects of the work programme. A developing country group raised concerns about the modalities of the first workshop, arguing that the format limited parties' "ability to engage." Another developing country group stressed the need to ensure inclusive participation in future workshops, accounting for the challenges of virtual participation. Many parties called for a more interactive format moving forward. Most parties agreed that a report should be produced following each workshop, but two developing countries suggested informal notes or summary conclusion papers. Several country groups requested additional time to discuss this agenda item, with one calling for balance between the number of

sessions for this item and that on the mitigation work programme. The co-facilitators will prepare draft decision text.

Guidance on cooperative approaches referred to in Article 6.2 of the Paris Agreement: Parties continued consideration of guidelines for review under Article 6.2, including the criteria and features of the review and of the Article 6 technical expert review team. Some parties suggested basing the guidelines on those of the Article 13 expert review team, with modifications as required for issues specific to Article 6. On confidentiality of information provided by parties, one developed country party said this should apply to: supplementary information parties provide in addition to their original submissions, for instance, in response to questions by the expert review team; and information designated by parties as confidential.

On the nature of the review, parties said it should be: objective, achieved by providing the expert review team with clear guidelines; non-intrusive, respecting national sovereignty; and non-punitive. Several parties stressed that the review will be a desk review of information submitted by parties, and some said it should also assess the consistency of the information.

Rules, modalities and procedures for the mechanism established by Article 6.4 of the Paris Agreement: Co-Facilitator Kate Hancock (Australia) opened the informal consultations, inviting parties' views and comments on: processes for implementing a share of proceeds for administrative expenses and for adaptation; processes for delivery of overall mitigation in global emissions (OMGE); transition of Clean Development Mechanism (CDM) activities to the Article 6.4 mechanism; and reporting by host parties of their Article 6.4 activities and emission reductions.

On the share of proceeds, parties suggested requesting that the Secretariat prepare a technical paper on lessons learned from the CDM. Suggestions for the share of proceeds included: instituting a global fee and deciding the proportion to be used for adaptation and for administrative expenses; in-kind contributions of issued emission reductions and related adjustments; and payment of fees when registering activities and at issuance of emission reductions.

Regarding OMGE, discussions focused on the necessary corresponding adjustments to be made to emission reductions to achieve overall mitigation, and the question of whether both authorized and unauthorized reductions, or reductions intended for domestic use and for international transfer, should be subject to OMGE rules.

On the transition of CDM activities, parties discussed the rules that would apply to the transitioned activities. Views diverged on whether CDM activities should be de-registered before or after being registered as Article 6.4 activities, and at what point the Article 6.4 rules would apply to such activities.

Regarding reporting, parties highlighted the need for streamlining the reporting requirements, and some urged avoiding unnecessary reporting burdens and duplication of work, especially under the Article 6.2 and Article 6.4 mechanisms.

Work programme under the framework for non-market approaches referred to in Article 6.8 of the Paris Agreement: SBSTA Chair Tosi Mpanu Mpanu opened the first meeting of the Glasgow Committee on Non-market Approaches, explaining that the objective is to advance consideration of the work programme with a view to recommending a schedule for implementing it.

Parties discussed the features and uses of the UNFCCC web-based platform, as well as the timeline for activities under the non-market approaches (NMA) framework. Regarding the platform, Bolivia, for the LMDCs, called for enhanced matching of support for the needs of the Least Developed Countries, and said the platform should be designed to support and strengthen the framework for NMAs. Bahamas, for the ALLIANCE OF SMALL ISLAND STATES, called for the platform to be accessible to both party and non-party stakeholders, and include the ability to contact potential partners, and identify or record the volume of emission reductions achieved by activities. Several developed country parties said the platform should serve to record and exchange information on NMAs. Parties also discussed the implementation timeline, suggesting, for instance, commencing reporting in 2024 and adopting an implementation timeline up to 2026.

Matters relating to the least developed countries: In informal consultations, Co-Facilitator Jens Fugl (Denmark) invited views on draft decision text. Most discussion focused on how to address the fact that many parties experience delays in accessing funding from the Readiness and Preparatory Support Programme of the GCF for the formulation of National Adaptation Plans. Groups will consult informally to draft language on this issue.

Matters relating to the Santiago network under the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts: Co-Facilitator Cornelia Jäger (Austria) solicited views on an “elements paper” prepared by the co-facilitators. Developing country groups expressed frustration with “imbalance” in the document. Some argued that the document did not recognize parties’ requests to determine the structure of the network before developing the terms of reference. Many underscored the need for an advisory body. Many also called for additional references to the Convention in the preamble. A developing country group outlined potential roles of an advisory board, including: guiding implementation; providing oversight of budget and the programme of work; applying fiduciary standards; considering time limits and appropriateness of responses; developing safeguards for transparency and redress; and commissioning an independent review of the network. Other developing country groups supported some or all of these potential roles. Discussions will continue in “informal informals.”

Mandated Events and Workshops

First meeting of the technical dialogue under the global stocktake: In opening the event, Patricia Espinosa, UNFCCC Executive Secretary, reflected that if the Paris Agreement is a “covenant of hope with humanity [...] that pledges made are pledges kept,” the GST is the “key to making it happen.”

Parties and observers outlined their expectations for the technical dialogue. Among others, Pakistan, for the G-77/CHINA, called for a clear focus on developing countries and their regions, especially around adaptation gaps, loss and damage, and response measures. Colombia, for the INDEPENDENT ASSOCIATION OF LATIN AMERICA AND THE CARIBBEAN, said that the GST should: inform revision of Nationally Determined Contributions; identify key areas of global collaboration; and provide a reference point so that expectations can evolve with time.

The EU emphasized providing a space to exchange views about the implementation of Paris Agreement Article 2.1 c), on making finance flows consistent with a low-emissions and climate-resilient development pathway. CHINA noted the GST should be a party-driven process and called for balance between the thematic areas of mitigation, adaptation, and means of implementation and support. Underscoring that not every aspect of climate action lends itself well to aggregation, INDIA called for adopting a mixed-methods approach combining quantitative and qualitative elements.

Observer constituencies highlighted, among others: convening local stocktaking processes to feed into the GST; overcoming language barriers to ensure all can engage; and leveraging knowledge of various stakeholders, including health professionals. Several speakers called for the GST to reflect climate justice, the right to a healthy environment, and the rights of women, youth, and Indigenous communities. The TRADE UNION NGOs urged improving visa granting processes to ensure observers can participate.

In the Corridors

“I can’t believe it—I almost got bored in there,” one delegate confessed on Thursday. Article 6, once the problem child of the Paris Agreement Work Programme, has softened into discussions of operationalization and knowledge-sharing. So have many other negotiations, it seems. Delegates in the global goal on adaptation debated ways to make the workshop more interactive and “less like a negotiation room.” Outside Article 6, the delegate wondered: “After all the excitement of the past few years, I hardly know where to go now for my adrenalin fix.”

Experienced delegates have noted that the tonal shift in the World Conference Centre’s halls may well be a part of the shift towards operationalization. Where discussions used to be passionate, they are now mostly technical.

In the afternoon’s opening plenary for the technical dialogue of the Global Stocktake, moderators urged participants to stay in science-based discussions. Some demurred, though. “We may be getting technical, but we can’t forget the spirit that brought us here,” one civil society member said. Calls for the Stocktake to reflect climate justice, the right to a healthy environment, and the rights of women, youth, and Indigenous communities reminded delegates that politics lurk in even the dullest of details—a lesson the next few days will no doubt bring to light.