

Working document

Version of 4 September 2015 at 01:45¹

[Section A - Preamble]

Main observations:

- During the first facilitated group meeting on Monday, 31 August 2015, Parties highlighted the importance of the Preamble in framing the context of the draft Agreement. Many noted that preambles set underlying philosophy and serve as a tool for implementation. Most agreed that the Preamble to the draft Agreement should be concise, but many also emphasized that it should set out key ideas and critical issues. A number of Parties considered that a meaningful discussion on the preamble was premature. Others wanted to flesh out conceptual ideas already at this stage to be further considered in the light of the outcomes of the negotiations on their sections.
- There was a general feeling that it could also be premature to address the preambular language of Part II (draft Decision 1/CP.21) and that more clarity would be needed on the content of the possible draft Decision 1/CP.21 as well as on the number of other relevant decisions that may be adopted at COP 21.
- The Co-Facilitators noted that a range of preambular provisions reflected in Part III of the Co-Chairs' Tool were referred to by Parties in their interventions. With regard to some of those provisions, a certain convergence of views was emerging. The Co-Facilitators identified the following possible areas for consideration and consolidation in the informal consultations on Wednesday, 2 September 2015:
 1. Reference to the Convention: as a whole/ principles/objective (Part I, Pp1, Pp2; Part III, Pp1);
 2. Global nature and urgency of climate change (Part III, Pp8); IPCC AR5 (Part III, Pp9), Science (Part III, Pp10);
 3. Rio+20 Conference (Part III, Pp5), Post-2015 development agenda (Part III, Pp31); Sustainable social and economic development (Part III, Pp33);
 4. Equality, environmental integrity and rights (Part III, Pp30); Health (Part III, Pp34);
 5. Role of private sector in capacity-building (Part III, Pp28); Action by non-State actors (Part III, Pp32);
 6. Challenges faced by SIDS and LDCs (Part III, Pp29);
 7. Adaptation as a global challenge (Part III, Pp18), Relationship between adaptation and mitigation (Part III, Pp19), Relationship between adaptation, mitigation and loss and damage (Part III, Pp20), Loss and damage and adaptation (Part III, Pp21);
 8. Means of implementation (Part III, Pp25).
- During the informal consultations on Wednesday, 2 September 2015, Parties exchanged views on the content of the eight areas identified above. There were suggestions to further merge some of the areas. Some noted that negotiations on substantive sections could inform whether there is a need to address some of

¹ This version of the compiled working document does not contain updates from facilitated group meetings of [Section C. General/Objective], [Section H. Capacity-building], [Section I. Transparency of action and support] and [Section K. Facilitating implementation and compliance] on 3 September 2015. These updates will be included in the next version of the compiled working document.

these issues in the preamble and, if so, how they could be framed. In this regard, issues related to the area of adaptation and the role of the private sector and non-State actors were identified as areas to revisit later in the context of the preamble.

- Parties agreed to further discuss the following five general areas with a view to further identifying key elements and any possible bridging or consolidating of provisions:
 1. Reference to the Convention: as a whole/ principles/objective (Part I, Pp1, Pp2; Part III, Pp1) and Means of implementation (Part III, Pp25).;
 2. Global nature and urgency of climate change (Part III, Pp8), IPCC AR5 (Part III, Pp9), Science (Part III, Pp10);
 3. Rio+20 Conference (Part III, Pp5), Post-2015 development agenda (Part III, Pp31); Sustainable social and economic development (Part III, Pp33);
 4. Equality, environmental integrity and rights (Part III, Pp30); and Health (Part III, Pp34);
 5. Challenges faced by SIDS and LDCs (Part III, Pp29);
- The Co-Facilitators invited Parties to submit any textual proposals, which would build on the provisions contained in the Co-Chairs' Tool but aim to bridge the various positions or preferences expressed and consolidate the provisions into a more concise and coherent text. Those materials would assist the Co-Facilitators in preparing a non-paper for posting online. Parties will be invited to provide feedback at a short facilitated group meeting to be held on Friday, 4 September 2015, from 3 to 3.30 p.m.

[Section C - General/Objective]

Discussion on Objective

Main observations:

- Many Parties considered that it would be preferable to refer to Article 2 of the Convention without reproducing it in full or translating it in specific contexts.
- Many Parties considered that the objective should include a reference to the limitation of temperature increase, with some noting in addition that such references must respect the context of that aim.
- Some Parties considered that the objective of the draft Agreement could be captured through a preambular reference to Article 2 of the Convention without a specific operative provision in the draft Agreement.

Discussion on Principles

Main observations:

- Parties highlighted the need for the objective of the draft Agreement to be guided by principles.
- Specific principles referred to by Parties were equity and CBDR&RC, the special circumstances of the most vulnerable, human rights and gender equality and the integrity of Mother Earth.

Discussion on General Obligations

Main observations:

- Some Parties stated the importance for the overall flow of the draft Agreement to have a general statement on the obligations of Parties under the draft Agreement based on paragraph 4 of Part III of the Co-Chairs' Tool.²

Further observations and notes by the Co-Facilitators:

- The Co-Facilitators noted that objectives were also contained in other sections of the Tool and that the evolution of these discussions may impact on the development of any overall objective.
- The Co-Facilitators announced that they would consult with the Co-Chairs on next steps. The Co-Chairs requested the Co-Facilitators to proceed by consulting bilaterally with Parties with a view to the development of bridging proposals for the meeting on the issue scheduled for Thursday, 3 September at 19:00.

[Section D - Mitigation]

Work on provisions for the draft Agreement³

Main observations:

- The facilitated group received the report from the informal meeting on implementing jointly. It acknowledged the proposal developed by this group to retain the first concept contained within the provision considered,⁴ which states that “Parties, including regional economic integration organizations and their member States, may prepare, communicate and [/or] implement [their] mitigation [commitments][contributions][actions] jointly”. Some Parties noted it will need further operationalization. The Parties agreed that the other concepts contained in Article 5 relating to cooperative arrangements should be kept separate.
- Building on the overview of what Parties see as elements of the draft agreement and the draft decision or decisions to be adopted in Paris, as presented during the first meeting, the facilitated group considered elements that are subject to further negotiations but enjoy broad support to be included in the ADP outcome.
- Elements with broad support to be included in the ADP outcome:
 - Collective efforts;
 - Individual efforts;
 - ⇒ The informal meeting on differentiation continued to work on identifying the different ways for expressing differentiation with regard to the individual efforts.
 - Ambition and progression;
 - Implementing jointly;
 - ⇒ See above for the outcomes of the work in the informal meeting on implementing jointly.
 - Flexibility for LDCs/SIDS;
- Parties also identified elements whose inclusion requires further consideration:
 - Use of Market Mechanisms;

² Numbering of provisions refer to the numbering used in the Co-Chairs' Tool of 24 July (ADP.2015.4.Informal Note, Annex II - available at <http://unfccc.int/6911.php?preref=600008595>).

³ Numbering of provisions reflects the numbering in the Co-Chairs' Tool of 24 July (ADP.2015.4.Informal Note, annex II, available at <http://unfccc.int/6911.php?preref=600008595>).

⁴ Article 5 of Part I of the Co-Chairs' Tool.

- ⇒ An informal meeting was established to primarily address paragraphs 9 and 78 of Part II and Articles/paragraphs 14-19 of Part III of the Co-Chairs’ Tool, in order to develop a streamlined proposal on how the ADP outcome could reflect this issue if it were to be included.
 - “Non-markets” (Joint Mitigation and Adaptation Approaches and Cooperative Mechanism (Sustainable Development));
 - ⇒ The informal meeting established on this issue on Monday continued to primarily address paragraphs 10 and 29 of Part II, and Article/paragraph 20 of Part III of the Co-Chairs’ Tool, in order to develop a streamlined proposal on how the ADP outcome could reflect this issue if it were to be included.
 - Actions in the Land Use Sector and REDD plus;
 - ⇒ An informal meeting was established to primarily address Article/paragraph 21 of Part III, and paragraphs 11 and 12 of Part II of the Co-Chairs’ Tool, in order to develop a streamlined proposal on how the ADP outcome could reflect this issue if it were to be included.
 - Response Measures;
 - ⇒ An informal meeting was established to primarily address Article/paragraph 25 of Part III of the Co-Chairs’ Tool in order to develop a streamlined proposal how the ADP outcome could reflect this issue if it were to be included.
 - International Transport.
- The facilitated group agreed that the following issues would benefit from discussions with a view to deepening understanding of the concepts contained and their role in the ADP outcome:
 - Collective Efforts, as addressed in Article 3 of Part I and Article/paragraph 6 of Part III of the Co-Chairs’ Tool;
 - Verbs/steps of the commitment (e.g. prepare, communicate, implement, maintain) as addressed in Article 4 of Part I of the Co-Chairs’ Tool;
 - Features of the commitment (e.g. quantifiability, long term trajectory, conditionality, consistent with further guidance) as addressed in Articles/paragraphs 7, 9, 10, 12 and 13 of Part III of the Co-Chairs’ Tool;
 - Progression and ambition, as addressed in Articles 6 and 7 of Part I of the Co-Chairs’ Tool.
 - The facilitated group started discussion based on the text contained in Article 3 of Part I of the Co-Chairs’ Tool:
 - In considering Collective Efforts, the group identified three concepts contained in Article 3 of Part I of the Co-Chairs’ Tool: 1) a collective commitment (e.g. all Parties shall or should enhance mitigation efforts, make individual efforts, cooperate); 2) differentiation (e.g. references to Article 4 of the Convention, CBDRRC, equity, groups of Parties, support); and 3) a direction of travel (e.g. references to the long term temperature limit, achieving long-term emissions reductions, global peaking of emissions as soon as possible, an emission budget, climate neutrality by the end of the century, reflecting latest science and zero net emission pathways).
 - Some Parties considered that a collective commitment would apply equally to all Parties and, therefore, no references to differentiation are required. Other Parties saw this collective commitment as a framing provision and, therefore, would require a reference to differentiation. A few Parties were of the view that there is no need to include a provision on collective effort in the ADP outcome and that the individual commitment for each Party is sufficient.
 - With regards to the direction of travel, some Parties noted that the long term temperature limit is relevant for other sections and, therefore, should be contained in the general/objective section (section C). Other Parties expressed the view that the general objective should be further operationalized by a mitigation specific objective. That mitigation specific objective would address quantifiable aspects such as, for

example, peaking, budget, GHG neutrality or climate neutrality. A few Parties indicated that some of the options for the direction of travel are not well understood and would need to be defined.

- One Party made a proposal to use the collective effort as a chapeau for the individual effort.

[Section E - Adaptation and loss and damage]

Main observations:

- The facilitated group on adaptation and loss and damage met today, 3 September, from 10 a.m to 11.30 a.m. Parties heard reports from the informal meetings (spin-off groups) on loss and damage and on the global goal on adaptation/long-term vision for adaptation/collective efforts. After the reports, the meeting was adjourned in order to allow groups of Parties time to coordinate.
- The facilitator of the informal meeting on loss and damage, Mr. Leon Charles, reported:
 - That all Parties engaged constructively throughout in distilling the options and that a frank and cooperative atmosphere characterized the deliberations. The informal group developed the following two bridging proposals to facilitate negotiations on loss and damage from here onward:
 - A proposal by the G77 and China, which will contain provisions in the:
 - Draft Agreement on the establishment of a new mechanism to take over the operation of the Warsaw International Mechanism after 2020, which includes a climate change displacement coordination facility;
 - Draft Decisions:
 - To operationalize the institutions anchored in the Agreement;
 - On a clearing house for risk transfer schemes under the Warsaw International Mechanism;
 - A proposal by the US/EU/Switzerland/Australia, which will contain COP provisions in a COP decision, including on, among others:
 - Recognizing the importance of loss and damage;
 - Recalling decisions 2/CP.19 and 2/CP.20;
 - A decision to continue implementing the Warsaw International Mechanism under the Convention;
 - Assurances of the permanence of the Warsaw International Mechanism and of responsiveness to the evolving concerns and needs of the most vulnerable countries;
 - That these two groups of Parties agreed to make their respective textual proposals available before the end of this session.
 - That, in response to a request made by a Party, the G77 and China will provide a working description of the proposed climate change displacement coordination facility before the ADP session in October, which will allow all Parties to further enhance their understanding of this important arrangement proposed to be established by the Paris Agreement.
- The Co-Facilitator, Ms. Andrea Guerrero, reported on behalf of the facilitator of the informal meeting on the global goal on adaptation/long-term vision for adaptation/collective efforts, Mr. Richard Muyungi, as follows:
 - Parties engaged in a detailed and focused discussion on the elements of the global goal and collective efforts. Some Parties outlined very clear and concise lists of elements, which provided a good basis for discussion and future drafting;
 - Parties see these issues to be very much interconnected with individual efforts, institutions, support, and monitoring and evaluation. This makes it challenging to focus on drafting more concise text, but also provides an opportunity to understand the bigger picture;

- Some Parties considered that having language on screen would make discussions more focused;
- The Co-Facilitator summarized the meeting by reading out the elements on which there seemed to be convergence in the room:
 - The long-term [global goal][vision] for adaptation is to reduce vulnerability to the adverse impacts of climate change, to increase adaptive capacity, to enhance resilience, and to protect people, ecosystems and livelihoods based on best available science;
 - In order to achieve the long-term [global goal][vision] for adaptation, Parties shall commit to cooperate by sharing knowledge, recognizing adaptation efforts and investments, providing adequate support in the context of means of implementation, improving science, and strengthening institutions, including those within the UNFCCC;
- The G77 and China stated that they are working on a proposal on the global goal and collective efforts, as well as individual efforts, and stated that they will consult with other Parties and aim to have a text ready in the morning of 4 September.

[Section F - Finance]

Main observations:

- During two informal meetings of the facilitated group on finance, Parties continued to exchange views and identify key concepts in relation to the following issues: sources, and objective/guiding principles/thematic funding.
- In addition to a submission that was received on Wednesday, 2 September 2015, from a group of Parties on the issue of institutional arrangements on finance in the core agreement, three submissions were received on the issue of institutional arrangements.⁵ In a meeting of the facilitated group on finance, Parties were given the opportunity to introduce their submissions as well as to react to the submissions made and engage in in-depth discussions. The Co-Facilitators encouraged Parties to continue their discussions on the basis of the textual proposals with the aim of coming up with possible bridging proposals in advance of the next meeting of the facilitated group, indicating that there may be emerging convergence on some of the underlying issues with regard to the issue of institutional arrangements.
- Additional submissions were made by Parties, including on the notion of scale and scaling up, enabling environments, and the objective/commitment/purpose of finance.⁶ The Co-Facilitators indicated that these submissions will be discussed on Friday, 4 September 2015.

Work on the notion of scale, scaling up

- The notion of scale, scaling up was discussed in two informal meetings of the facilitated group on finance on Wednesday, 2 September 2015. Two oral reports were delivered to the facilitated group on finance by one Party delegate designated by the Co-Facilitators. During these discussions, Parties discussed concepts that would have to be anchored in the draft Agreement as well as in the draft Decision.
- In this context, Parties addressed the issue of level/scale of support, with proposals outlining that it should be commensurate with and meet the level of ambition, and/or be commensurate with developing countries' needs and priorities.
- With regard to the issue of scale as such, proposals made by some Parties indicated that scale is to, inter alia: address and have a clear link to the overall temperature goal; be linked and in line with the objective of the Convention; be based on the needs of developing countries and identified gaps in the provision and delivery of support.
- On the notion of scaling up support, some Parties proposed that it should be an obligation and commitment, within the context of Article 4, paragraph 7, of the Convention, regular and systematic, as well as regularly

⁵ Available at <<http://unfccc.int/bodies/awg/items/9158.php>>.

⁶ Available at <<http://unfccc.int/bodies/awg/items/9158.php>>.

reviewed, and/or be based on periodic assessments every four years. Linked to that, proposals put forward by Parties with regard to the notion of scaling up included that it should be based on: a floor of USD 100 billion per year; a GDP-based calculation; a burden-sharing formula or arrangements; clear pathways for scaling up, based on periodic needs assessments, or from current levels. Further proposals included the anchoring of a long-term qualitative collective goal on means of implementation, a broadening of the contributor base, and that scaling up should come from a variety of sources, with support being only one element. The issues of predictability of resources, as well as a commitment to conducting needs assessments, were also mentioned in this context.

- Another concept that Parties addressed referred to the scaling up of efforts or actions to be taken by all, including such actions as: the mainstreaming of climate change; the shift/redirection of investment flows; the mobilization of private finance; the mobilization of climate finance at scale; enabling environments; and the scaling down of international support for high-carbon investments.
- The importance of measurement, reporting and verification/transparency of support was also raised by a few Parties; for example: in the context of a common reporting format to reflect on scaled-up quantified contributions; as an essential element also with regard to effectiveness; or as a means to recognize contributions by a broader contributor base.
- A few other concepts were also raised as essential in the context of scale and scaling up, including issues such as: the need for an anchoring of a 50:50 balance between support for mitigation and adaptation; an acknowledgment of the importance of adaptation as a crucial element; a recognition of agreed language regarding the specific needs and special circumstances of particularly vulnerable countries; the need for effectiveness; that all instruments and channels should be used; that an element of progression should be captured; as well as acknowledging the increasing importance of the private sector and that without a clear definition of what climate finance means, it becomes difficult for Parties to have a common understanding of what it is that they are discussing scale in relation to.
- Concepts that could possibly be captured in decisions included: the process through which the determination of the level of the needs and priorities of developing countries would be carried out; the determination of the level of resources required, as per Article 11, paragraph 3(b), of the Convention, to lead to a clear road map of individual annual commitments and details on this road map; details of the revision of the guidelines for national communications; or guidance to the operating entities of the Financial Mechanism provided by the governing body to include the strengthening of the issue of the determination of funding necessary and available.

Work on sources

- Parties engaged on the issue of sources during one informal meeting of the facilitated group on finance on Thursday, 3 September 2015. One Party representative, as designated by the Co-Facilitators, reported to the facilitated group on finance on the outcome. This included a general common understanding that, in the light of the challenges at hand, sources of climate finance cannot be limited to only one source, as well as that the concept of sources should be anchored or recognized in the draft Agreement; however, there were diverging views on whether or not there is a need for some sort of operationalization regarding the concept of sources to be captured or anchored in the draft Decision.
- Through the discussions, two lines of thought with regard to the capturing of the issue of sources in the draft Agreement became clearer. One would be along the lines that, in line with the principles and provisions of the Convention, financial resources shall be provided from public sources, and are to be the main source, and that financial resources may be mobilized from other sources, including private sources, with the understanding of the complementary/supplementary nature of such sources. The other line of thought would be around the issue of climate finance to be mobilized from a variety of sources, including public, private and alternative sources.
- Parties additionally identified a number of ideas and concepts around the issue of sources. For example, issues around adequacy and predictability were raised. With regard to private sources, various Parties raised various concerns, including with regard to: the profit-oriented nature of private sources; the suitability of private sources, particularly with regard to adaptation; and the question of the capability of private sources in relation to meeting the temperature goal. Some Parties are of the opinion that the private sector is out of the remit of the Convention; however, indicating that it is within the remit of the Convention to create, for example, incentives for private-sector engagement. Some Parties highlighted the importance of private

finance for the transformation to a low-carbon and climate-resilient economy and the notion of scale related to it. Various Parties pointed out that there is a need for further consideration with regard to the use of sources other than public, including, for example, the establishment of clear processes for such considerations.

- Parties also referred to the issue of channels: some would like to see specific mention of the Financial Mechanism and its operating entities, while others highlighted the need to make use of a wide variety of channels and a broad range of instruments, such as grant-based assistance, concessional loans, commercial financing, bonds and export credits.
- Furthermore, Parties identified various issues around transparency, the measurement, reporting and verification of support, and accountability, particularly with regard to private/alternative sources.
- Overarching issues that were pointed out by a few Parties included: the importance of grant-based assistance to prioritize the poorest and most vulnerable countries; the need for additional resources to be mobilized from private sources, while ensuring that the principle of fiscal sovereignty is anchored in the draft Agreement; and the importance of taking into consideration the suitability of sources with regard to specific sectors, particularly adaptation.
- Further specific concepts that were mentioned by a few Parties included: the issue of voluntary South–South cooperation; the possibility of anchoring proceeds from existing and new mechanisms, including market mechanisms, in the new draft Agreement; as well as need to anchor support for the development of the private sector in SIDS; the importance of effectiveness in the context of the use of sources; as well as the nature of public finance and its role under the Convention, particularly with regard to catalysing actions and mobilizing other sources.

Work on objective/guiding principles/thematic funding

- Parties engaged on the issues of objective/guiding principles/thematic funding during one informal meeting of the facilitated group on finance. A report will be provided to the facilitated group on Friday, 4 September 2015, by a Party representative designated by the Co-Facilitators.

Work on commitments/obligations/action

- The informal meeting of the facilitated group on finance in the afternoon of Wednesday, 2 September 2015, covered the issue of commitments/obligations/actions as agreed in the facilitated group on finance.
- With regard to commitments and obligations, Parties referred to the existing commitments and responsibilities under the Convention. Some Parties pointed out the link between the commitment to provide financial resources and the enhanced implementation of the Convention; other Parties indicated that this would also require effort and action by all in order to mobilize the financial resources required to this end, while fully acknowledging the commitments of developed country Parties as defined by the Convention. Specific concepts that were mentioned included: the scaling up of support, the enhancement of existing commitments, the need for periodicity and review of commitments, the need for increasing ambition over time, and the need for predictability and adequacy.
- Concerning the notion of actions, various concepts were identified by a few Parties, including: cooperation to promote the mobilization of climate finance from a variety of sources; prioritization of the poorest and most vulnerable countries in the provision of grant-based assistance; mainstreaming climate change in development processes; improving of enabling environments; scaling down support to high-carbon investments; making voluntary contributions in the form of actions taken by developing countries without support, for example, in the context of South–South cooperation; and increasing transparency on support.
- In particular, the concept of enabling environments was discussed at a more in-depth level since various Parties had pointed out that more conceptual clarity is needed on this issue. There were divergent views on the need to capture the concept of enabling environments in the draft Agreement. Some Parties emphasized the need to capture a collective effort by all Parties to enhance enabling environments in the draft Agreement as they perceive this more in terms of an enabler contributing to, for example, overcoming existing barriers in order to access financial resources, rather than as conditionality for support. Other Parties expressed concerns regarding a perceived conditional aspect intrinsically linked to the concept of enabling environments, as well as regarding a lack of clarity on this concept. Another notion raised by a few

Parties in the context of enabling environments was the need for enabling environments not only at the domestic level, but also at the multilateral level, for example, through commitments on financial resources and the provision of adequate and predictable resources.

- The concept of investments was also briefly discussed, with some Parties seeing the enhancement of low carbon investment and the transformational shift related to that end as an important concept to be captured in the draft Agreement, while others were of the view that this concept may transgress the scope of climate finance discussions, and that more clarity on the implementation of anchoring this concept in the draft Agreement may be needed.
- Some Parties indicated that they will provide textual proposals on the issue of commitments/obligations/actions; others indicated specific textual elements contained in the Co-Chairs' Tool on the basis of which the current text contained in the draft Agreement and the draft Decision could be enhanced and/or added to. Various Parties indicated that they will continue to engage also on a bilateral basis on some of the concepts identified.

Work on institutional arrangements – Financial Mechanism

- Parties initiated informal deliberations with discussions focusing on the issue of institutional arrangements (Financial Mechanism), as agreed on in the facilitated group. Two Party representatives were invited by the Co-Facilitators to report back on the outcome of the informal meetings, which was shared with the facilitated group on finance in the evening session, with the following issues having been identified:
 - The Financial Mechanism as described in Article 11 of the Convention is to serve as the Financial Mechanism of the new Agreement, as Parties saw no need for the creation of a new Financial Mechanism;
 - The existing funds will remain in place, but there is no convergence on whether and how such funds should be reflected in the draft Agreement/Decision, so more discussions on this issue may be necessary;
 - There is a need to continue to provide guidance to the operating entities of the Financial Mechanism, but the question of the channel for such guidance remains (e.g. Agreement, Decision or regular COP agenda item);
 - There was an agreement that the Standing Committee on Finance will continue to assist Parties with regard to the Financial Mechanism, including with regard to increasing the coherence and coordination of the Financial Mechanism;
 - An opportunity to create new institutional arrangements may be needed, should Parties see the need for this;
 - Issues such as importance of predictability and accessibility were also raised.

Next steps

- An informal meeting, as well as a formal meeting of the facilitated group on finance, will take place on Friday, 4 September 2015.

[Section G - Technology development and transfer]

Main observations:

- Parties recognized the importance of technology development and transfer in the draft Agreement and that the current section could be strengthened.
- Parties agreed that cooperative action is key to facilitate and promote technology development and transfer, and some Parties were of the view that the provisions of the current text could be enhanced to include other aspects.

- Most Parties expressed the view that the institutional arrangement on technology development and transfer is an important element to serve the draft Agreement, but there are different views on how to strengthen the institutional arrangement.
- Parties discussed the proposed framework on enhanced action on technology development and transfer, trying to identify ‘what to do’ (in the draft Agreement) and ‘how to do it’ (in the draft Decision). The discussion clarified that the framework:
 - Is not intended to create new institutions;
 - Would provide direction and overarching guidance to the work of the existing institutions in the medium and long terms and strengthen them.
- Parties discussed the following possible elements of the narrative of the draft Agreement for the technology section:
 - A group of Parties proposed the possible elements as follows:
 - Aspirational (long-term) aspects to enhance technology development and transfer;
 - Cooperative actions;
 - Specific actions by Parties (many elements contained in Part III of the Tool⁷ could be used as the basis for further discussion);
 - Institutional arrangement and resource support (funding) to support these enhanced actions;
 - Another Party proposed other possible elements as follows:
 - The role of technology;
 - Recognition of positive developments;
 - Cooperative action, which could include other provisions in the text;
 - Institutional arrangements;
 - Another Party proposed other possible elements as follows:
 - A section on the importance of technology;
 - Developing and strengthening institutions and mechanisms;
 - Reviews and how to update them over time;
 - Restatement of commitment to address barriers and commitment to enhance the deployment of technology.
- Based on the output of an informal meeting (spin-off group), Parties further engaged in discussion on possible elements of the narrative of the draft Agreement for the technology section and reflected their views in the table below. This table has no status and will serve only as an internal tool for Parties to assist their consideration on how these elements (listed in the first column of the table) relate to current provisions in the Tool. In relation to what could be part of the draft Agreement and what could be part of the draft Decision:
 - Parties converged on a number of elements to be reflected in the draft Agreement:
 - Recognition of the important role of technology;
 - Cooperative actions;
 - Anchoring technology institutional arrangements;
 - With regard to the recognition of the important role of technology, Parties noted that this element would be best placed in the preamble to the draft Agreement;

⁷ ADP.2015.4.Informal Note, Annex II - available at <<http://unfccc.int/resource/docs/2015/adp2/eng/4infnot.pdf>>

- With regard to the framework for enhanced action, Parties recognized that further discussions were needed in order to clarify which aspects of this element could be part of the draft Agreement and draft Decision;
- Parties also agreed that aspects of strengthening institutions and the framework could be elaborated in the draft Decision;
- Parties noted that technology needs assessment and periodic assessment of institutional arrangements (current provisions in Part II of the Tool) could be part of the draft Decision;
- Some Parties also noted that important elements of the technology section that appear in the table have not yet been addressed and this remains a task to be undertaken.

Notes by the Co-Facilitators and next steps:

- Parties agreed to establish an informal meeting (spin-off group) to work on the text on the following topics: Cooperative actions, Anchoring technology institutional arrangements, and Framework, to be facilitated by Mr. Carlos Fuller (Belize). Additional topics may be discussed as appropriate. An informal meeting is scheduled to take place on Friday, 4 September (from 10 a.m. to 1 p.m.). The facilitator will report back to the facilitated group meeting on Friday, 4 September, at 3 p.m.

| Key aspects in section Technology | Part I: Draft Agreement | Part III: | Part II: Draft Decision | |
|--|---|---|---------------------------------|---|
| <ul style="list-style-type: none"> ● Objective/purpose/global goal ● Role and importance of Technology (introduction) <ul style="list-style-type: none"> ○ Successes ○ Gaps/evolving needs, finance, access, innovation ● What we plan to do, capture gaps: framework ● Cooperative action ● Anchoring institutions ● Framework ● Strengthening institutions and framework <ul style="list-style-type: none"> ○ What existing institutions are doing (reiteration): (TNA) ● Review and how to update overtime <ul style="list-style-type: none"> ○ Review of Framework ● Restate commitments to address barriers and commitments to enhance deployment of technology | 20. COOPERATIVE ACTION | 70. GLOBAL GOAL FOR TECHNOLOGY | 34. TECHNOLOGY NEEDS ASSESSMENT | |
| | | 71. FRAMEWORK FOR ENHANCED ACTION | | 35. STRENGTHENING INSTITUTIONAL ARRANGEMENTS |
| | | 72. INDIVIDUAL EFFORTS | | 36. SUPPORT OPERATIONALIZATION AND DELIVERY |
| | | 72.1. ADDRESSING BARRIERS BY DEVELOPED COUNTRIES | | 37. ENHANCING COOPERATION |
| | | 72.2. ADDRESSING BARRIERS BY DEVELOPING COUNTRIES | | 38. PERIODIC ASSESSMENT OF INSTITUTIONAL ARRANGEMENTS |
| | | 72.3. ACCESS AND INNOVATION | | 84. TECHNOLOGY WORK PROGRAMME |
| | | 72.4. TECHNOLOGY NEEDS ASSESSMENT | | 71. FRAMEWORK FOR ENHANCED ACTION |
| | | 72.5. RESEARCH, DEVELOPMENT AND DEMONSTRATION | | |
| | | 72.6. INDIVIDUAL EFFORTS – TECHNOLOGY COMPONENT | | |
| | | 72.7. COLLECTIVE COOPERATION | | |
| | 73. INSTITUTIONAL ARRANGEMENTS TO SERVE THE AGREEMENT | | | |

[Section H – Capacity-building]

Main observations:

- Convergence among Parties emerged on the following points:
 - Capacity-building has to be reflected in the Agreement;
 - The need to enhance capacity, including in the pre-2020 period;
 - The need to strengthen institutional arrangements.
- Parties had divergent views on the need to establish new institutional arrangements for capacity-building.
- While several Parties indicated their overall satisfaction with the Co-Chairs' Tool, a group of Parties noted a lack of balance in Part I of the Tool. To re-establish a balanced outline of Parties' positions with respect to the Agreement, they proposed that Article/paragraph 75 (new institutions) of Part III of the Co-Chairs' Tool, be moved to Part I.⁸ This would address one of the main concerns expressed by that group of Parties, namely the establishment of an international capacity-building mechanism under the Agreement.
- The same group of Parties also proposed placing Article/paragraph 74 (objective, focus of capacity-building) of Part III of the Co-Chairs' Tool, in Part II.
- Some Parties had questioned whether Part I was the most appropriate place for Article 6 of the Convention; other Parties intervened to support the inclusion of a paragraph on Article 6 of the Convention in this part.
- The Co-Facilitators proposed two informal meetings (spin-off groups). The first was tasked to work on milestones for capacity-building between 2016 and 2020 and it met on 1 September, facilitated by a delegate from Swaziland. Key issues highlighted at this informal meeting included:
 - Need for concrete ideas or inputs on actions and needs that could help determine milestones;
 - Need to specify concrete actions and action areas for prompt implementation;
 - Linkage between institutional arrangements and work programme;
 - What needs to be decided on institutional arrangements to ensure prompt and effective delivery of the work programme on pre-2020 milestones?
 - Capacity-building for MRV and MRV of capacity-building;
 - Coherence and coordination in delivery of capacity-building;
 - Need for a long-term and sustainable perspective on capacity-building.
- The second informal meeting, facilitated by a delegate from Japan, met on 2 September. There was a request to discuss how institutional arrangements can be enhanced. Parties will report back on their exchanges at the next meeting of the facilitated group.

Further observations and notes by the Co-Facilitators:

- The Co-Facilitators proposed that the informal meeting tasked to work on milestones for capacity-building between 2016 and 2020 be reconvened tomorrow morning and start drafting text on the basis of the discussions held on 1 September during the informal meeting and views on the same topic exchanged on 2 September during the meeting of the facilitated group.
- The Co-Facilitators also encouraged Parties to meet with the secretariat and to have an exchange of views on topics to be included on the agenda for the workshop on capacity-building, which was mandated by the Subsidiary Body for Implementation (SBI) at its forty-second session.⁹ It was observed that the workshop, scheduled to take place back-to-back with the next session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) in October, could help to further clarify issues relevant to the work of both the SBI and the ADP. An informal meeting will be held for this exchange on 3 September.

⁹ FCCC/SBI/2015/10, paragraphs 88 and 94.

[Section I - Transparency of action and support]

Observations and notes by the Co-Facilitators:

- The Co-Facilitators (CFs), identified what they saw to be several areas of commonality in the views expressed by Parties in their general reactions to the Co-Chairs' Tool. These were presented to Parties at the second meeting of the facilitated group on 1 September 2015 at 10:00 as possible areas of focus when moving into text-based work. They included the following:
 - That some form of differentiation and/or flexibility would be required within the post-2020 transparency framework system in order to cater for the various levels of capacity and national circumstances;
 - Parties envisaged that the post-2020 transparency framework system would need to evolve, building on existing arrangements. Deeper discussion and understanding was needed in order to plan for this evolution and adequately reflect this in the relevant parts of the text in the Paris Agreement and related decisions;
 - That it was necessary to see enhancement in support-related issues with two layers of activity: first, the measurement, reporting and verification (MRV) of action and support needed to be enhanced; and second, support and capacity-building was needed for developing country Parties to participate effectively in an enhanced transparency framework.
- It was also recognized that many concepts and issues within Section I had not been sufficiently discussed and, hence, there was still lack of clarity of understanding. Parties would need time to discuss these issues before they can engage in negotiations in order to determine their treatment within the various parts of the Co-Chairs' Tool. Some examples raised (non-exhaustive list) of such issues include: accountability of actions, accounting rules (including for use of markets and contribution of the land sector) and what kind of transparency activities take place at the individual level and at the aggregate level. The CFs will work with Parties to cover all the issues within Section I without prejudice to their final placement. The CFs will take note of Parties' views on linkages with text in other sections of the Co-Chairs' Tool.
- For the next meeting of the facilitated group on 2 September 2015 at 11:30, Parties agreed to start text-based work on one area suggested by the CFs. Specifically, Parties will consider how the texts in Parts I, II and III of the Co-Chairs' Tool can be improved to achieve greater clarity on the idea that "developing country Parties need support to participate effectively in the transparency framework". Relevant provisions include:¹⁰
 - Part I, Articles 27, 31–33;
 - Part II, paragraphs 49–53 and 86;
 - Part III, Article/paragraphs 82 and 83.
- At the third meeting of the facilitated group, as previously agreed, Parties considered how the text in Parts I, II and III of the Co-Chairs' Tool could be improved in order to achieve greater clarity on the idea that "developing country Parties need support to participate effectively in the transparency framework".¹¹
- The speakers list was not completed and discussions will continue on 3 September 2015.

Next steps:

- Due to time constraints, Parties agreed to start working in parallel, beginning with informal meetings (spin-off groups) on the following two specific topics:

¹⁰ The numbering of provisions refers to the numbering used in the Co-Chairs' Tool of 24 July 2015 (ADP.2015.4.Informal Note, Annex II – available at <<http://unfccc.int/6911.php?preref=600008595>>).

¹¹ <http://unfccc.int/files/bodies/awg/application/pdf/adp2-10_i_1sept2015t1900_wds.pdf>

- Accounting/accountability;
- Differentiation/flexibility.
- Parties were reminded that the Co-Facilitators are available for bilateral meetings.

[Section J - Timeframes and process related to commitments/ contributions/ Other matters related to implementation and ambition]

Observations and notes by the Co-Facilitators:

- Discussions continued on a number of issues around scope, timing, communication of commitments/contributions, collective stocktaking and housing.
- At the invitation of the Co-Facilitator of the group on timeframes, the Co-Facilitators of the groups on finance and on adaptation and loss and damage attended the meeting and shared information on how time frame issues arose in their groups. This was followed by a short question and answer session.
- Following the discussions held in the facilitated group on section L on procedural and institutional provisions yesterday, the group agreed to discuss issues related to housing in an informal meeting (spin-off group) facilitated by Ms. Christina Voigt (Norway) and Mr. Dean Bialek (Marshall Islands). This informal meeting discussed the legal, political and practical implications of the various housing options. Two Parties presented options for an annex to the agreement and schedules for nationally determined contributions.
- The Co-Facilitator identified a list of key elements relating to the review/stocktaking of implementation and maintenance of nationally determined contributions, that covered both successive contributions and adjustments to contributions, and housing. This generated a constructive discussion, with Parties noting that this list helped them to structure the concepts. Some Parties, however, noted that it did not disentangle the different elements and particularities of the various issues. The discussions continued in an informal meeting where topics covered included: the timing of follow-up processes in relation to the contributions/commitments, how to take advantage of existing arrangements and the nature of a collective stocktake.
- In concluding the discussions, the Co-Facilitator requested the secretariat to reflect the relevant paragraphs from Parts I, II and III of the Co-Chairs' Tool in the list of elements that he had identified. He stated that he would present a revised list of elements at tomorrow's meeting.

[Section K - Facilitating implementation and compliance]

Establishment clause and related elements

Main observations:

- Many Parties reiterated the importance of including provisions on the establishment of arrangements on implementation and compliance in the draft Agreement.
- Several Parties identified other elements that in their view should accompany the establishment clause to ensure that a compliance mechanism is in place by the first session of the governing body.

Nature and purpose of the compliance mechanism

Main observations:

- Several Parties spoke on the role that arrangements for facilitating implementation and compliance can play in building confidence among Parties to the Agreement by enhancing transparency and accountability.

- There was a general acknowledgment that a compliance mechanism should be facilitative in nature. Some Parties were of the view that the mechanism should also have an enforcement function. These Parties expressed different views on which group of Parties falls within the scope of any enforcement functions.
- The link between facilitating implementation and compliance and enhancing transparency was also noted.

Differentiation and compliance

Main observations:

- Some Parties were of the view that differentiation would arise from differences in the substantive contributions and does not need to be referred to in provisions relating to a compliance mechanism. Other Parties were of the view that differentiation should be reflected in provisions of a compliance mechanism, including through its scope and structure, namely though facilitative and enforcement branches.

Work programme

Main observations:

- A number of Parties noted that operational details of a compliance mechanism can be elaborated after Paris but would need to be developed before the first session of the governing body. Others were of the view that arrangements should be ready as part of the Paris package in order for their national stakeholders to fully understand the legal nature of the Agreement.
- Some Parties indicated that due to the concise nature of some of the options reflected in the Geneva Negotiating Text, these could be used in their entirety as options to clauses in the draft Agreement. Some Parties recalled that the six elements contained in paragraph 5 of the Durban Mandate (decision 1/CP.17) do not include compliance.
- Other Parties suggested considering the multilateral consultative process under Article 13 of the Convention as a potential example of arrangements for facilitating implementation and compliance.

Further observations and notes by the Co-Facilitators:

- Noting Parties' views on the establishment clause, the Co-Facilitators indicated that informal consultations could be conducted on the elements of an establishment clause and the nature and purpose of the mechanism. The informal consultations could explore a range of topics, including discussing a list of components for the establishment clause. The outcomes of those informal consultations would be reported to the facilitated group at its next meeting.
- In light of views expressed on differentiation, enhanced transparency and the facilitative nature of a compliance mechanism, the Co-Facilitators will endeavour to develop questions that could be used as a starting point for discussions at the next facilitated group meeting. A number of Parties made suggestions on the open-ended list of guiding questions that will be communicated to Parties ahead of the meeting.
- Parties were invited to submit bridging proposals that would be published for consideration by other Parties and discussion.

[Section L – Procedural and institutional provisions]

Parties agreed to engage on the questions prepared by the Co-Facilitators and posted on the UNFCCC website on 31 August 2015,¹² as well as other questions posed by the Co-Facilitators during the meeting.

Articles 43–45, Part I of the Co-Chairs' Tool:¹³

¹² <http://unfccc.int/meetings/bonn_aug_2015/in-session/items/9167.php>.

Main observation:

- Parties generally agreed that paragraphs 43–45 serve as a sufficient basis for the Agreement, as many of the provisions are standard in other international agreements.
- A number of Parties indicated that language of paragraph 43-45 can build on the language of the Kyoto Protocol, and some Parties requested to identify what language in the Kyoto Protocol can be used for further clarity such the provision of Article 13 of Kyoto Protocol, *mutatis mutandis*.

Specific observations:

- Parties generally agreed that the Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to the Agreement, with Parties to the Convention that are not Parties to the Agreement participating as observers and not taking part in decision-making concerning the Agreement (drawing on the CMP model of Article 13 of the Kyoto Protocol). Parties were of the view that the term “governing body” could be changed throughout the text to reflect this approach.
- Parties indicated that further consideration is required with respect to the rules of procedure of the governing body, the application of the financial procedures under the Convention, and additional functions of the governing body.
- A Party made specific proposal to add the provision: “The first session of the Conference of the Parties serving as the meeting of the Parties to this agreement shall be convened by the secretariat in conjunction with the first session of the Conference of the Parties” that is scheduled after the date of the entry into force of the Agreement.

Article 46, Part I of the Co-Chairs’ Tool:*Main observation:*

- Parties were generally of the view that it would be useful for existing institutions under the Convention to support the Agreement but that this Article may require further consideration.

Specific observations:

- Some Parties felt that this blanket provision was too broad and not usually found in international agreements (as reflected in footnote 35 to this provision), and suggested that institutions that would serve the Agreement be identified on a case-by-case basis. It was further noted that the current institutions were developed in a specific context with specific mandates that may not be relevant for the Agreement. Some Parties were also concerned to avoid misinterpretations with respect to the use of Kyoto Protocol institutions over which the COP does not have authority to decide upon;
- Some Parties felt that this provision allows for the implementation of the Agreement to benefit from the experience and expertise of the Convention institutions and noted that this is linked to the objective of the Agreement (section C). Some Parties also noted that this enabling provision was required so that the Convention institutions may serve the Agreement, in particular those institutions relevant for means of implementation. Some Parties also suggested that the provision could be revised so that only bodies and institutional arrangements necessary for the implementation of the Agreement serve it. It was also noted that “mechanisms” are not institutional arrangements and would therefore not be included.

Article 47, Part I of the Co-Chairs’ Tool:*Main observation:*

- Parties were of the view that the issue of immunity could be justifiable but needs to be addressed on a case-by-case basis, and they raised concerns about whether it should be addressed in the Agreement.

¹³ Numbering of provisions reflects the numbering in the Co-Chairs’ Tool of 24 July (ADP.2015.4.Informal Note, annex II, available at <<http://unfccc.int/6911.php?preref=600008595>>).

Specific observations:

- Many Parties were of the view that this provision should not be retained. It was noted that the provision raises constitutional concerns for some Parties. Some Parties questioned the need for this provision.
- One Party, speaking on behalf of the group of Parties that proposed this provision, noted that it will convey the comments of the facilitated group to its group and report back at the next meeting of the facilitated group.

Article 48.3, Part I of the Co-Chairs' Tool:

Main observation:

- Parties noted that this matter was closely linked to the discussions on commitments/contributions/actions in other sections, particularly sections C, D and J. Some Parties were concerned about the lack of clarity on the appropriate forum for discussing the matter of 'housing' of commitments/contributions/actions.

Specific observations:

- Some Parties emphasized that the option of "no further requirements" should be kept on the table, as they are of the view that there is no need for this provision in view of the basic obligations of Parties in the Agreement, in addition to awaiting the results of discussions on other sections. Others emphasized that it is important that Parties submit their INDCs at the time of ratification, thus clarifying their commitments under the Agreement.
- Regarding the specific context of this section, several Parties shared their ideas of how they envision the INDCs will be housed in the Agreement and what that would mean for the options for this provision. The issue of housing of commitments/contributions/actions generated a long discussion with diverging views about whether they should be legally binding.
- Some Parties noted that the concept of "national schedules" was new and unclear, and that it was too late for it to be properly discussed in the negotiations.
- Some Parties expressed the view that if any commitments/contributions/actions were to be agreed as additional requirements to become Party to the Agreement, such commitments/contributions/actions would have to be related to the corresponding elements of the Durban mandate such as adaptation.
- There was a general understanding that the next step could include a joint spin-off meeting between respective sections, as proposed by the Co-Facilitators, where Parties could discuss the substantive issues as well as the topics related to the context of individual sections.

Article 49.1, Part I of the Co-Chairs' Tool:

Main observation:

- There was common understanding that broad and meaningful participation in the Agreement should be ensured.
- Parties were generally of the view that a double threshold for the entry into force would be the preferred option, but questions remains as to how this double threshold should be defined.
- Parties felt that further consideration of this issue would need to take into account the outcome of the discussions on other sections of the Co-Chairs' Tool.

Specific observations:

- With respect to the double threshold, some Parties voiced support for a cumulative double threshold (number of Parties and a percentage or gigatonnes of global greenhouse gas emissions), some Parties for an alternative threshold (number of Parties or percentage of greenhouse gas emissions), and some Parties for Article 49.1 option 5, which includes a specific requirement for Annex I Parties.
- Parties recognized that the source of the greenhouse gas emission data needs further consideration.

- Some Parties felt that the reference to a specific date (i.e. not before 2020) was to reflect the Durban mandate, and was intended to avoid an overlap with the second commitment period of the Kyoto Protocol and the start of the 2015 Agreement.
- Parties also noted that the use of the term “coming into effect” was intended to reflect the option of adoption by the COP of decisions as the agreed outcome of the work of the ADP, but that this term may no longer be relevant in view of the Co-Chairs’ Tool.

Article 49.4, Part I of the Co-Chairs’ Tool:

Main observation:

- All Parties were of the view that this provision is not required in the Agreement since this issue is addressed by the Vienna Convention on the Law of Treaties, which would apply to the Agreement.

Specific observation:

- Some Parties noted that this issue could be addressed in a COP decision, while other Parties questioned the necessity of its inclusion in the Agreement.

Article 50, Part I of the Co-Chairs’ Tool:

Main observation:

- A number of Parties were of the view that this provision should be deleted (in view of the durable character of the Agreement, the fact that the start date is covered by the entry into force provision and that Parties may withdraw from the Agreement).
- Other Parties expressed the view that this provision should be retained at this moment because an end date may be required depending on the final content of the Agreement and in order to avoid a gap between the second commitment period of the Kyoto Protocol and the start of the Agreement.

Article 51, Part I of the Co-Chairs’ Tool:

Main observation:

- There was a general understanding by Parties that this provision was sufficient basis for the Agreement.

Article 52, Part I of the Co-Chairs’ Tool:

Main observation:

- Parties felt that further consideration of this issue would need to take into account the outcome of the discussions on commitments/contributions/actions and decisions on other sections of the Co-Chairs’ Tool.

Article 53, Part I of the Co-Chairs’ Tool:

Main observation:

- There was a general understanding that this provision was a sufficient basis for the Agreement.

Article 54, Part I of the Co-Chairs’ Tool:

Specific observation:

- There was a common understanding among Parties that Article 54.1 should be retained as sufficient basis for the Agreement as this is a standard provision in international agreements.

- Some Parties were of the view that Article 54.2 should be deleted as it is unlikely that Parties will reach agreement on this matter in time for the adoption of the Agreement, and that this issue could be addressed by the governing body.
- Other Parties were of the view that this issue should be covered by the Agreement in order to avoid lengthy discussions by the governing body on this matter.

Article 55, Part I of the Co-Chairs' Tool:

Specific observations:

- Some Parties were of the view that conditioning participation in decision-making on a mitigation commitment would create an incentive for Parties to have a mitigation commitment and to maintain it.
- Other Parties expressed concerns about this requirement as they felt that any obligation should include all elements (e.g. adaptation) and not be mitigation-centric, or it could be seen as a disincentive to ratify the Agreement).
- Some Parties acknowledged that the wording of this Article could be revised (one proposal was made to refer to INDCs instead of “mitigation commitments”). There was also a proposal to change the provision to the following: “Annex I Parties should have mitigation and finance commitments in order to participate in decision-making under this Agreement”.

Article 56, Part I of the Co-Chairs' Tool:

Main observation:

- Some Parties indicated that there is a lack of clarity on the meaning of the term “country contribution documents”.
- After the Head of the Treaty Section of the United Nations Office of Legal Affairs clarified that the proposal for the Depositary to hold and manage a repository of country contribution documents was not a Depositary function but is usually dealt with by the substantive secretariat of the treaty concerned, the proponent of this requirement indicated that the proposal would be withdrawn.

Article 57, Part I of the Co-Chairs' Tool:

Main observation:

- Several Parties supported the ‘no reservation’ clause.

Article 58, Part I of the Co-Chairs' Tool:

Main observation:

- Some Parties supported the idea that Parties having discharged their current mitigation commitment should be a condition for withdrawing from the Agreement, while other Parties supported a standard withdrawal provision found in international agreements.

Article 59, Part I of the Co-Chairs' Tool:

Main observation:

- There was a general understanding that this provision was sufficient basis for the Agreement.