

Working document<sup>1</sup>  
Version of 8 June 2015 at 14:00

*Consolidation of preambular paragraph 4, options (a) and (b):*

[[Being guided by][In accordance with ] the principles of the Convention as set out in its Article 3, including [in particular] that Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with historical responsibility[,][and] common but differentiated responsibilities, [and the provisions of Article 4 of the Convention / evolving common but differentiated responsibilities and respective capabilities / evolving economic and emission trends which will continue post-2020, in order to progressively enhance the levels of ambition],]

*Consolidation of preambular paragraph 10, Options (a) to (c):*

*Observation:*

- No agreed consolidation

*Consolidation of preambular paragraph 15, Options (a) and (b):*

[**Option (a)** Recognizing that deep cuts in global [greenhouse gas] emissions will be required to achieve the ultimate objective of the Convention [and the long-term temperature limit / hold the increase in global average temperature, and that such cuts must be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner] [and emphasizing the need for urgency to address climate change],]

*Consolidation of preambular paragraph 17, Options (a) and (b):*

[Also recognizing that scenarios consistent with having a likely chance of holding the global average temperature increase to below 2 °C [or 1.5 °C] above preindustrial levels include substantial cuts in anthropogenic greenhouse gas emissions by the mid-century and [net emission levels near zero gigatonnes of carbon dioxide equivalent or below in 2100] [zero emissions within the second half of this century],]

*Consolidation of preambular paragraph 21, Options (a), (b) and (d):*

[**Option (a)** [Emphasizing][Notes] that adaptation is a global challenge [and a common responsibility that requires global solidarity and] [that] must be addressed with the same urgency as[, and in [political/legal parity] [balance] with,] mitigation, [and that enhanced action and international cooperation on adaptation is urgently required in order to enable and support the implementation of adaptation actions [and recognizing that both climate-resilient development and adaptation to the impacts of climate change will be essential]],]

*Observations:*<sup>2</sup>

- Some Parties expressed a desire for an opportunity for discussions on issues of a cross-cutting nature.
- Some Parties indicated that each section may not require an equal amount of attention during the second reading.

*Consolidation of paragraphs 1 and 2:*

*Observations:*

- No agreed consolidation.
- Parties agreed that paragraphs 1 and 2 were different concepts.
- It was further indicated that paragraph 2 may be more appropriate to address via COP decisions rather than a core agreement.
- For these reasons the Parties agreed that these paragraphs should not be consolidated.

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<sup>1</sup> The sections and paragraphs in this document refer to those in document FCCC/ADP/2015/1.

<sup>2</sup> These observations relate to section A.

*Consolidation of paragraph 5:**Observations:*

- Consolidation is possible and should be pursued.
- Parties considered that this paragraph was ready for consolidation.
- Parties expressed a desire for the Co-Chairs or co-facilitators to present a proposal based on the secretariat's informal note on overlaps and duplication.
- Parties in general were also ready for the consideration of placement of text.

*Consolidation of paragraph 14:**Observations:*

- In general Parties agreed on the final consolidation with the exception of one Party that wanted to add the word “[and]” to the consolidation. Before this can be agreed this issue will have to be resolved. Hence no agreed consolidation.
- Parties appreciated the initial proposal presented by the Co-Chairs.
- Parties agreed that the text from paragraph 14 Option 1 “South-South and triangular cooperation” should be included after “multilateral approaches”.
- Parties further agreed that an additional set of square brackets should be placed around the latter part of the sentence to ensure that Option 3 was fully reflected.
- A proposal from one Party to include “[and]” between the final set of square brackets was not agreeable to all Parties.
- Some Parties noted that there is no need for these paragraphs at all (consistent with the position of no section C).

*Paragraph 17.1 Option 1:*

- 17.1. **Option 1:** All Parties, in accordance with Article 4 and their common but differentiated responsibilities and respective capabilities and on the basis of equity, to enhance mitigation ambition and cooperate with a view to achieving the long-term emission reductions, in the context of Article 2 of the Convention, consistent with limiting the global average temperature increase to below 2 °C or 1.5 °C above pre-industrial levels and in the context of equitable access to sustainable development[, with developed country Parties taking the lead by undertaking ambitious emission reductions and providing finance, technology and capacity-building support to developing country Parties][ and the protection of the integrity of Mother Earth][ in accordance with the shared vision resulting from the Bali Action Plan];

*Consolidation of paragraph 19 Options 1-3:*

19. **Option 1:** [[In accordance with Article 4 of the Convention,] [all Parties][Developed country Parties][Parties included in annex X] [should seek] to progressively enhance the level of ambition of their mitigation commitments / contributions / [actions] [towards achieving the ultimate objective of the Convention] [such that [the aggregate commitments achieve the long-term global goal referred to in paragraph 17 above] [each commitment / contribution / [action] is of a [type, scope,] scale and coverage more / no less ambitious than those previously undertaken under this agreement or the Convention or its Kyoto Protocol] [and strengthen and review commitments line with the process outlined in section J];[national commitments shall be inscribed as an integral part of the 2015 agreement].]

*Observation:*

- One Party noted that a paragraph in another section of the Geneva Negotiating text is relevant for paragraph 19 and will raise the issue when the substance of paragraph 19 is discussed.

*Consolidation of paragraphs 20 and 21.8:**Observation:*

- No agreed consolidation.

*Consolidation of paragraph 21 Option 2 (chapeau) and Option 4 (chapeau):*

21. **Option 2 (chapeau):** Each Party [to communicate and implement][shall prepare and communicate] successive [proposed] mitigation commitments[/ contributions] [which are to][ that shall be implemented and reviewed in accordance with section J, and shall]:]

*Paragraphs 21.4 and 21.13:*

*Observation:*

- These paragraphs should be considered together.

*Paragraph 21.6 Option 7:*

*Observation:*

- Parties agreed to delete paragraph 21.6 Option 7.

*Paragraph 21.10:*

*Observation:*

- Parties agreed to delete paragraph 21.10.

*Paragraphs 21.11, 21.1 Option 5, 21.1 Option 6:*

*Observations:*

- Parties agreed to delete paragraphs 21.11 and 21.1 Option 5.
- Parties agreed to keep paragraph 21.1 Option 6 as follows:  
21.1 **Option 6.** [In accordance with Article 4, paragraph 2, of the Convention, developed country Parties shall commit to undertake absolute emission reduction targets (AERTs) during the period 2021–2030 in accordance with [a global emission budget including] their historical responsibility, through quantifiable, economy-wide mitigation targets, covering all sectors and all greenhouse gases, implemented domestically, which can be aggregated and which are comparable, measurable, reportable and verifiable, with the type, scope, scale and coverage more ambitious than those undertaken under the Convention and its Kyoto Protocol during the pre-2020 period, and communicated and implemented without any conditions;]

*Consolidation of paragraph 23 and sub-paragraph 21.5 Option 2(c):*

*Observation:*

- Further consideration would be needed in order to decide whether to consolidate.

*Consolidation of paragraphs 30 and 32:*

*Observation:*

- No agreed consolidation.

*Consolidation of paragraph 33 Options 1 and 3:*

33. [**Option 1:** The secretariat [to][shall] keep and update accordingly an online registry of national mitigation [commitments][targets and actions], [without prejudice to the instrument of ratification, acceptance, approval or accession being deposited with the Depositary in accordance with the provisions of this agreement]; [this] registry [is an] [to be] integral part of the agreement;]

*Paragraph 41:*

*Observation:*

- A group of Parties is currently considering streamlining proposals.

*Consolidation of paragraph 50 Options 4, 5 and 13:*

50. [**Option 4:** [A global goal for adaptation is hereby established, with the purpose of enhancing the implementation of adaptation actions, in particular in developing countries, as part of enabling economic development in the context of sustainable development]. [All Parties take action and cooperate to reduce vulnerability and build resilience to the adverse effects of climate change.]

[The global goal for adaptation shall provide for supporting enhanced adaptation and sharing best practices by all Parties; the understanding of adaptation needs in the light of mitigation ambition; the provision of adequate support for developing countries to meet their adaptation needs; and the recognition of adaptation investments by developing countries as part of their contribution to the global effort]. [The goal has both qualitative and quantitative aspects, including elements of knowledge dimension informed by science, planning and policy aspects.]

[The global goal for adaptation affirms that adaptation is a global responsibility and further:

- a. Establishes a platform for all Parties to communicate their efforts towards achieving the global goal on adaptation, as well as for the exchange and sharing of best practices on the formulation and implementation of adaptation measures;
- b. Acknowledges that historical emissions and the level and pace of both current and future mitigation efforts will determine the extent to which Parties will need to adapt to the adverse effect of climate change and address loss and damage resulting therefrom and the associated costs thereof;
- c. Notes that since adaptation efforts will need to be undertaken far in advance of the temperature rise, planning for adaptation and undertaking adaptation should be based on an evaluation of temperature scenarios that are expected to result from particular levels of mitigation action;
- d. Agrees that in order to determine levels of adaptation support (finance, technology, and capacity) required for a given commitment period, the ex ante assessment of aggregate mitigation action and associated temperature rise shall be used as a basis, including in the consideration of nationally determined needs for adaptation;
- e. Notes that levels of adaptation finance provided by developed countries should be commensurate with meeting the costs of adaptation in developing countries, particularly those in Africa, the least developed countries, and small island developing States, in accordance with developed country Party obligations under Article 4, paragraph 4, of the Convention;
- f. Provides for recognition of adaptation investments of developing countries as part of their contributions to the global effort to address climate change.]]

*Consolidation of paragraph 51 Options 4 and 8:*

51. **[Option 4:** [Parties][Each Party][undertake national adaptation planning processes with a view to integrating climate resilience into national level planning and action in order to reduce vulnerability] [to integrate adaptation within national development planning, mainstream adaptation into national policies, undertake the national adaptation plan (NAP) process] and strengthen governance and enabling environments. All Parties should take adaptation actions. Those Parties with limited capacities require support from those countries in a position to provide such support.]

*Consolidation of paragraphs 51.1 Option (b) and 51.3:*

- 51.1. **[Option (b):** Developed country Parties to take the lead in combating climate change and the adverse effects thereof and commit under Article 4 of the Convention to support country-driven processes and proposals by developing countries, which are to be, inter alia, gender sensitive, participatory and fully transparent, to take into account vulnerable groups and ecosystems, and be based on science and/or traditional and indigenous knowledge [systems].]

*Consolidation of paragraph 51.7 b. Options (i) and (ii):*

- 51.7. b.[Contribute to the achievement of sustainable development, which [may] include economic diversification [in an equitable manner] [in the context of their specific needs and special circumstances];]

*Consolidation of paragraphs 51.7 f. Options (i) and (ii) and 51.7 g.:*

- 51.7. f.[Build on adaptation mechanisms and processes under the Convention, including national adaptation plans (NAPs) and national adaptation programmes of action [including joint mitigation and adaptation for the integral sustainable management of forests], and existing arrangements for finance. [Developing countries][Parties not included in annex X] are not in the position to make financial commitments or contributions to any institutional or international mechanisms. Adaptation investments by [developing countries][Parties not included in annex X][and][domestic adaptation actions undertaken by developing country Parties without support from developed country Parties]should [be recognized as their contributions to the global effort to respond to climate change];]

*Consolidation of paragraph 54.2 Options (a) and (b):*

- 54.2. [The governing body [shall adopt further guidance on reporting on adaptation /] may facilitate the sharing of information on progress in and experiences with preparing and implementing adaptation actions];

*Consolidation of paragraph 61.1 chapeaus of Option (a) and (b):*

- 61.1. [The [governing body][COP] shall request the [SBSTA][Adaptation Committee][concerned bodies] to develop guidelines for strengthening the sharing of information, knowledge and lessons learned under the Nairobi work programme on impacts, vulnerability and adaptation to climate change:
- a. [Address the knowledge gap in the area of implementation of adaptation;
  - b. Strengthen local and institutional capacity;
  - c. Enhance regional and transboundary aspects;
  - d. Encourage all Parties to implement education and public awareness programmes in accordance with paragraph 14 above].]

*Consolidation of paragraphs 62 and 64:*

62. [All existing UN institutions and international and national financial institutions are encouraged to provide information to [the international clearing house and registry for adaptation][to Parties through the UNFCCC secretariat] on how their development assistance programmes and finance incorporate climate proofing and climate resilience measures.]

*Consolidation of paragraph 65.1 Option (a) b. Options (i) and (ii):*

- 65.1 **[Option (a):** The governing body shall request the Adaptation Committee to:
- b. Establish and maintain stronger linkages with the GCF and other funds[, and the alternative for financing joint mitigation and adaptation approaches, plans and actions][, taking into account the balanced 50:50 approach of the allocation of financing between mitigation and adaptation];]

*Consolidation of paragraphs 65.2 d and e:*

- 65.2 d. [[Regional][National] adaptation centres shall be established in [all major regions][each country] to help to facilitate a regional knowledge base on the most appropriate adaptation responses for the [region][country], so as to provide capacity-building on adaptation responses and facilitate research into adaptation measures];

*Consolidation of paragraph 65.3 Option (a) a. Options (i) and (ii):*

- 65.3 **[Option (a) a.** [A subsidiary body for adaptation to enhance the implementation of adaptation action is established to provide the COP and its other subsidiary bodies with timely information and advice on matters relating to the Convention and to assist the COP in the assessment of the review of the effective implementation of adaptation as well as timely and adequate support on adaptation from developed country Parties for developing country Parties.]

*Consolidation of paragraph 65.3 Option (a) f. Options (i) and (ii):*

- 65.3 **[Option (a) f.** [[The Nairobi Work Programme shall be enhanced by establishing the Technical and Knowledge Platform under the Cancun Adaptation Framework which will be made operational by the Adaptation Committee, in order to][An adaptation technical and knowledge platform shall be established to work on, inter alia]:
- i. [Methodologies, metrics and indicators;
  - ii. Modelling of climate change scenarios and impacts;
  - iii. Enhancing understanding of global implications of adaptation.]
  - iv. Develop and strengthen global, regional, national and local capacities as well as social capacities to address adaptation concerns and metrics;
  - v. Pursue the establishment and well-functioning of adaptation knowledge platforms and networks at all levels;
  - vi. Become a means of scaling up adaptation benefits, adaptation practices and outcomes;
  - vii. Aim at incorporating an approach of sustainable management of ecosystems in adaptation planning;
  - viii. Socialize climate risk through insurance-type mechanisms;
  - ix. Enhance the understanding of the global implications of adaptation and the interlinkages among local efforts, national contributions and global adaptation actions;

- x. Enhance understanding of progress made in vulnerability reduction at a global, regional, national and local level including progress made towards the global goal on adaptation;
- xi. Ensure availability of methods and tools to evaluate impacts of climate change, vulnerability and adaptation outcomes;
- xii. Strive for a result-oriented approach facilitated by the monitoring and evaluation of adaptation outcomes;
- xiii. Facilitate assessment of effectiveness of adaptation measures;
- xiv. Provide mandate to the Adaptation Committee to undertake a comprehensive review on all technical and financial institutional arrangements related to adaptation in 2017, which will not be carried out in detriment of, but rather building on, the expertise of existing LDC structures (e.g. LEG).]

*Consolidation of paragraph 65.3 Option (a) g. Options (i) and (ii):*

- 65.3 **Option (a) g.** [A global knowledge platform for adaptation is hereby established to work on, inter alia:
- i. Facilitate collection, sharing and management of relevant data and information on adaptation actions;
  - ii. Provide information on progress of adaptation actions from a global perspective;
  - iii. Foster exchange of knowledge, lessons learned, and best practices from adaptation actions;
  - iv. Promote development of methodologies, metrics and indicators for adaptation actions.]

*Consolidation of paragraph 79 Options 1-6:*

79. **Option 1:** Each Party / All Parties [shall] individually or collectively [to] mobilize climate finance through a diversity of actions from a variety of sources as a means to stay below the long-term temperature limit and to achieve the transformation required to that end acknowledging that the actions to be taken will differ, in accordance and in line with their respective and evolving responsibilities and capabilities / the principles and objectives of the Convention, acknowledging the importance of leadership to be taken by [developed country Parties][Parties included in annex X][Parties in a position to do so, considering evolving capabilities][all countries in a position to do so], acknowledging that some Parties need support in order to take action, and acknowledging that the need for support by Parties may change over time or be met with different means of support/ [all [Parties][countries] in a position to do so][Parties included in annex X] [Parties in a position to do so, considering evolving capabilities] [should][shall] provide financial support to Parties in need of support as a means to achieve the objectives of this agreement, acknowledging the need for climate-resilient economies and societies;

**Option 2:** In accordance with the objectives set forth in article 5 of this agreement and pursuant to the Convention's ultimate objective, all investments are to progressively become low-emission and resilient to climate impacts, contributing to the necessary transformation towards sustainable development and the achievement of the goal of maintaining the average global temperature increase below 2 °C or 1.5 °C, as well as building economies, societies and ecosystems that are resilient to climate change;

**Option 3:** In the implementation of this agreement, all developed country Parties and other Parties included in Annex II to provide climate finance as a means to enhance action towards achieving the objective of the Convention and to achieve the transformation required to that end, and in line with the needs of developing countries, in accordance with their obligations and commitments under Article 3, paragraphs 1 and 2, and Article 4, paragraphs 3, 4, 5, 7, 8 and 9, of the Convention;

The principles under the Convention, in particular the principles of common but differentiated responsibilities and respective capabilities and equity, acknowledging that the need for support by developing country Parties may change over time and be accommodated under Article 4, paragraph 7, of the Convention, and acknowledging the need for financing for forestry in line with the Warsaw Framework for REDD-plus, [including alternative approaches to results-based actions such as joint mitigation and adaptation for the integral and sustainable management of forests];

The extent to which developing country Parties will effectively implement their commitments will depend on the effective implementation by developed country Parties of their commitments related to financial resources, transfer of technology and capacity-building;

In accordance with the objectives set forth in article X of this agreement and pursuant to the Convention's ultimate objective, climate finance to contribute to the necessary transition towards

the achievement of the goal of maintaining the average global temperature increase below 2 °C or 1.5 °C, as well as building economies, societies and ecosystems that are resilient to climate change;

**Option 4:** All Parties in a position to do so should provide financial support to Parties in need of support as a means to achieve the objectives of this agreement, acknowledging the need for climate-resilient economies and societies.]

*Consolidation of paragraph 82:*

*Observations:*

- No agreed consolidation. However, Parties agreed that consolidation is possible and should be pursued, possibly at a later stage.
- Parties have put forward proposals for consolidation and streamlining; however, Parties indicated that further clarification and a common understanding of the exercise to be undertaken would be necessary in order to progress with consolidating this paragraph.
- There was a general sense that this paragraph, due to its complexity and density, will require further work, with Parties indicating that they will continue to work on this paragraph.

*Consolidation of paragraph 89 Options 1-6:*

89. **Option 1:** The Financial Mechanism of the Convention defined in Article 11 shall serve as the financial mechanism of the 2015 agreement; [the related funds established under the Kyoto Protocol will also serve as instruments of the legal agreement. This will also apply to all the rules and guidelines developed by the COP and the CMP in relation to the operation of the financial mechanism, its operating entities and associated funds and to the decisions related to the transparency and MRV of support[ with the GCF acting as the main operating entity of the financial mechanism];
- a. The operating entities of the financial mechanism shall serve this agreement in line with their respective mandates, under the guidance of the COP and the CMP of the 2015 agreement;
  - b. Further coordination and rationalization of the operating entities under the Convention and this agreement shall be developed with a view to ensuring predictable, new, additional and adequate resources, including the transfer of technology for these funds];
  - [c. *Placeholder* for financing loss and damage];
  - [d. The climate resilience and sustainable development (CRSD) mechanism is established to promote climate resilience and sustainable development trajectories that combine adaptation to and mitigation of climate change and its impacts, articulating the means of implementation of the Convention, linking provision of finance, transfer and development of technology and capacity-building, and enhancing the actions of developing countries to achieve the objective of the Convention. To this end, the CRSD mechanism shall articulate the work of the financial mechanism, the technology mechanism and the capacity-building mechanism];
  - [e. Institutional arrangements for REDD-plus finance [as per decision 10/CP.19].]
- Option 2:** The Financial Mechanism [of the Convention and its Kyoto Protocol][under Article 11 of the Convention] shall serve as the financial mechanism of the 2015 agreement:  
[To receive funding from the GCF for implementation of the agreement, a Party must:
- a. Be a Party to this agreement, and
  - b. Have fulfilled its reporting requirements as described in section I.]

*Consolidation of [Proposals for decisions related to anchoring institutions under the agreement]:*

- i. [Clear roles should be agreed on the two existing operating entities of the Financial Mechanism of the Convention and coherence should be achieved in climate finance channelled through other financing institutions;
- ii. The COP to be given the authority to adjust institutional settings, to take decisions on consolidating and coordinating institutions and processes, and/or to give guidance to the operational entities as needed, at a later stage;
- iii. Need for the simplification, improvement and rationalization of access, including direct access, especially for the LDCs and SIDS; and/or the harmonization of approval and accreditation processes between various channels and institutions leveraging potential non-climate-specific financing mechanisms and institutions; and/or the operation of all funds under the Convention to be transparent, competitive and based on rules, with operating criteria underpinning those rules that are compatible with the requirements of private investors, in order to effectively stimulate

- co-investment; and/or information on how all disbursements include provisions for ‘climate proofing’ measures;
- iv. The Financial Mechanism must continue to be main source of financing;
  - v. The replenishment of the Financial Mechanism and its operating entities to be linked to IPCC scientific assessments;
  - vi. Need to establish how the operating entities of the Financial Mechanism will work to implement the finance provisions of the new agreement and how the financial provisions will work with respect to other bodies or mechanisms under the Convention;
  - vii. The SCF shall assist the governing body of this agreement and be further strengthened:
    - o By enhancing its work on coherence and coordination and on rationalizing the Financial Mechanism.
  - viii. Regarding the GCF:
    1. The establishment of a window for REDD-plus;
    2. [The establishment of a window] for loss and damage;
    3. Need for: improved and prioritized access for the LDCs and SIDS and/or arrangements between thematic bodies of the Convention and the GCF to be strengthened;
    4. The GCF to operate under the guidance of the governing body in relation to activities developed under this agreement, and/or to support mitigation readiness activities in [developing countries] [Parties not included in annex X], and/or to capitalize on its knowledge of existing funds and increase its role by helping to finance some of the pipeline projects of those funds;
    5. The governing body of this agreement to: explore further options for simplifying the procedures for accessing funds from the GCF; and/or develop, jointly with the COP, specific additional modalities for the operation of the GCF with respect to activities developed under this agreement;
    6. The GCF, the main institution under the Financial Mechanism of the Convention, will aim for a 50:50 balance between mitigation and adaptation over time, which will also aim for a floor of 50 per cent of the adaptation allocation for particularly vulnerable countries, including the LDCs and SIDS.
  - ix. Decision to address additional rules of the Financial Mechanism and institutions in supporting the implementation of the legal agreement, where appropriate.
  - x. [The SCF shall assist the governing body of the agreement[, in cooperation with existing bodies and activities under the Convention]];
  - xi. [Coordination to be further enhanced among contributors and between institutions[, including through the process initiated as per decision 10/CP.19]];

*Observation:*

- Subparagraphs x and xi have been moved from paragraph 89 previous option 1 subparagraphs d and e to be included in the list under [*Proposals for decisions related to anchoring institutions under the agreement*].

*Consolidation of paragraph 93 and 99:*

93. [A periodic process for assessing the needs of developing countries to implement the Convention, including through this agreement, is established; the assessment process will be based on country Parties’ submissions and other relevant reports and will be performed every four years in alignment with the replenishment cycles of the operating entities of the Financial Mechanism; the outcomes of the process should serve as input in the replenishment process.]

*Observation:*

- Parties agreed to delete paragraph 99.

*Consolidation of paragraph 98:*

98. [**Option 1**: The provision of finance to be based on a floor of USD 100 billion per year:
  - a. Based on an ex ante process to commit quantified support commensurate with the required effort reflected in the adaptation and mitigation goals / relative to the required effort and in line with the needs of [developing countries][Parties not included in annex X];



- b. Based on clear burden-sharing arrangements among [Annex II Parties][Parties included in annex Y] [Parties in a position to do so, considering evolving capabilities][all countries in a position to do so] to identify the flows of [public]financial support from [developed countries][Parties included in annex X], including through the application of an assessed scale of contributions from [developed countries][Parties included in annex X][Parties in a position to do so, considering evolving capabilities][all countries in a position to do so];
- c. Including aggregate and enhanced specific / individual commitments / contributions by [[Annex II Parties][Parties included in annex Y], complemented by other Parties in a position to do so] [Parties in a position to do so, considering evolving capabilities] [all countries in a position to do so];
- d. Based on a road map with annual targets for public funding in the post-2020 period or pathways with annual expected levels of climate finance towards achieving short-term quantified goals;
- e. Based on an agreed percentage formula for the calculation of the contributions of [[Annex I Parties] [Parties included in annex X] and differentiated [developing country][Parties not included in annex X]] [Parties in a position to do so considering evolving capabilities] [all countries in a position to do so] on the basis of GDP or other indicators.

***Option 2:*** Agreement not to specify individual / quantified commitments, quantified targets or specific indicators for the post-2020 period.

***Option 3:*** Climate finance provided by developed country Parties shall be based on a quantified target taking into consideration the following:

- a. The provision of finance to be based on a floor of USD 100 billion [per year] and shall take into account the different assessments of climate finance related needs prepared by the secretariat and reports of other international organizations;
- b. Based on an ex ante process to identify the quantified support relative to the required effort and in line with developing countries' needs;
- c. It shall be reviewed every four years in line with the dynamic assessment of the needs of developing countries and gaps in the delivery of financial resources;
- d. Based on a road map with annual targets for public funding from developed country Parties in the post-2020 period or pathways with annual expected levels of climate finance towards achieving short-term quantified goals;
- e. A short-term collective quantified goal that defines the expected, scaled-up climate finance level for the post-2020 period should be determined in order to enhance the predictability of the provision of climate finance, indicating specific levels of public sources to be provided; this goal shall be regularly reviewed, updated and scaled up.]

*Observations:*

- Option 3 of the Geneva Negotiating Text was deleted.
- It was pointed out that there are significant textual duplications and overlaps between paragraph 98 and 92.

*Consolidation of paragraph 109, Options 1 and 2:*

109. [[A collective goal for support to be achieved by all Parties in order to][All Parties will aim to contribute to the] transition to a world in which all investments are directed at resilient and low-emission actions, and where finance, technology transfer and capacity-building that promote low[-]emission and resilient actions prevail.]

*Consolidation of paragraph 121:*

121. [***Option 1:*** Funding for capacity-building as well as measures to develop, adopt and implement policies, strategies, regulations and/or action plans on climate change education, training, public awareness, public participation and public access to information in [developing country Parties][Parties not included in annex X]:
- 121.1. To be provided by [[developed country Parties][Parties included in annex X] and other Parties] [Parties in a position to do so, considering evolving capabilities][all countries in a

position to do so] and organizations in a position to do so, in an adequate and predictable manner;

- 121.2. To be primarily channelled through the Financial Mechanism, taking into account the potential role of the private sector in supporting capacity-building and the need for enhanced coordination among donors and institutions.

**Option 2:** Funding for capacity-building shall be provided by developed country Parties to developing country Parties and channelled through the Financial Mechanism for the implementation of climate change actions in line with COP decisions and Article 6 of the Convention, in an adequate and predictable manner;]

*Observation:*

- Options 2 and 4 of the Geneva Negotiating Text were deleted.

*Consolidation of paragraph 128:*

128. **Option 1:** Financial resources to be mobilized and provided from:

**Option (a):** Primarily public sources, with supplementary funding to be drawn from private / alternative sources:

- a. Stressing that public sources are the main source of finance, the scale of resources needed and the type of investments required, governments to work more closely together with the private sector;
- b. [Developed country Parties][Parties included in annex X][Parties in a position to do so, considering evolving capabilities][all countries in a position to do so] shall incentivize the private sector to provide funding to [developing countries][Parties not included in annex X];
- c. Different [public] sources to be considered on the basis of clear criteria in order to avoid incidence on [developing countries][Parties not included in annex X], and the sustainability, predictability and additionality of [public] sources to be clarified;
- d. [Developed country Parties shall channel a substantial share of public climate funds to adaptation activities with prioritization for the most vulnerable developing countries, especially the LDCs and SIDS.]

**Option (b)** [The mobilization of finance may come] from a wide variety of sources, including public, private and alter-native sources, recognizing the need for a diversity of sources and instruments to suit recipients' [priorities and] changing economic circumstances] [with different types of financing for different activities and public sources for specific areas, given the limited potential for private investment, in particular in the most vulnerable countries and the LDCs.]

- 128.1. With regard to private and alternative finance:

- a. All Parties to commit to cooperate in leveraging private finance and/or to mobilize / utilize public funds and means to facilitate and encourage private investment in accordance with their capabilities, recognizing that private-sector financing is complementary to, but not a substitute for, public-sector financing where public finance is needed:
  - i. A mechanism to attract private sector investment in projects, with clear definitions, respective roles and guidance on the mechanism, so as to achieve a useful balance of public and private sources, ensuring reasonable returns and full transparency;
  - ii. Efforts undertaken by export credit agencies to help investors manage risk;
  - iii. A clear signal to the private sector at all levels to contribute to the mobilization of climate finance and to reorient financial flows and trigger the required investments and involvement, including of local private sectors;
  - iv. Public-sector finance to catalyse and avoid crowding out private-sector investments, ensuring that private-sector investment is not displaced, with the efficient use of public resources and effective public policies to be the key focus of post-2020 cooperative efforts among middle- and higher-income countries;
  - v. Need for strong public-private partnerships, which should be subsidized and incentivized;

- vi. Be strategic and in line with national priorities and laws and be profitable for the private sector;
  - vii. Enhanced enabling environments for private-sector investment in adaptation;
  - viii. The governing body shall develop modalities for leveraging and freeing up private finance to support the implementation of this agreement.
- b. A tax on oil exports from [developing][Parties not included in annex X] to [developed countries][Parties included in annex X][Parties in a position to do so, considering evolving capabilities][all countries in a position to do so] to be established;
  - c. An international renewable energy and energy efficiency bond facility to be established;
  - d. The phasing down of high-carbon investments and fossil fuel subsidies.

**Option 2:** Financial resources to be provided by developed country Parties to developing country Parties. Public sources from developed country Parties' direct budget contributions primarily, with supplementary funding to be drawn from private / alternative sources in developed countries. Other financial sources in developed country Parties to be considered on the basis of clear criteria in order to avoid incidence on developing country Parties and to ensure the sustainability, predictability and additionality of sources.

**Option 3:** Public sector financing from developed country Parties shall be the primary source of resources, with other sources to be considered supplementary.

Different sources to be considered on the basis of clear criteria in order to avoid incidence and ensure fiscal sovereignty of developing countries, and ensure the sustainability, predictability and additionality of resources.]

*Observations:*

- To be moved to section on 'Anchoring institutions under the legal agreement' from previous option 5: [The operating entities of the Financial Mechanism and other funds under the Convention, in particular the GCF and the Adaptation Fund, shall be replenished with sustainable resources to allow them to provide adequate support to developing countries;]
- Options 2 and 3 of the Geneva Negotiating Text were deleted.
- It was noted that Option 5 can be deleted if the sentence listed above is moved to the section on anchoring institutions under the legal agreement, noting that discussions on structural related issues regarding section F are still pending;
- One proposal was made that subparagraphs a. to d. as contained in paragraph 128, Option 1, could be moved to a COP decision due to the detailed nature of the information contained therein.

*Clarification of the concept in paragraph 129:*

- Parties took note of the clarification provided by the proponent of the proposal with regard to the concept of the Long-term technology goal as contained in paragraph 129 of the Geneva Negotiating Text. In the initial discussion, Parties also noted that further discussion on this matter next week could include clarification on:
  - What "conducting assessment on technologies that are ready for transfer" means and how it could be done;
  - Review of the technology support considering/in the context of existing review tools.

*Consolidation of paragraph 130 Options 2 and 3:*

130. **Option 2:** Parties, consistent with the principles and provisions of the Convention, including Article 4, paragraphs [1, 3 and] 5, [and Article 11], [ in accordance with their common but differentiated responsibilities,] [reflecting the evolving economic realities] to strengthen cooperative action to promote and enhance technology development and transfer [and better facilitate the implementation of the Convention], including through the Technology Mechanism / institutional arrangements for technology established under the Convention and through the Financial Mechanism [and the climate resilience and sustainable development mechanism] [/ by enhancing the provision of support by [developed country Parties][Parties included in annex Y ][all countries in a position to do so][, in order to support the implementation of mitigation and adaptation [commitments][actions] under this agreement].]

*Observation:*

- One Party noted that there is a need to further clarify the intention of the use of “/” in the negotiation text.

*Text to replace the placeholder in paragraph 131:*

131. [Parties, consistent with the principles and provision of the convention, to promote and enhance technology development and transfer and facilitate the implementation of the Convention, shall establish a framework for enhanced action on technology development and transfer under the 2015 agreement, to undertake technology assessments, to facilitate various options to enable access to technologies by developing countries, to address financing for implementation of technology needs of developing countries, and to address barriers and create appropriate enabling environment for technology development and transfer.]

*Consolidation of paragraph 132.1 Options (a) and (b):*

132.1. [[Developed country Parties][Parties included in annex X] to undertake steps to address barriers to accessing technology [and know-how] and to establish and strengthen their necessary policy frameworks to facilitate the removal of barriers and enable and accelerate technology development and transfer to [developing country Parties][Parties not included in annex X]; and to [leverage enhanced support from the private sector for technology development and transfer to [developing country Parties][Parties not included in annex X]] [promote access to public sector technology and promote development and transfer to developing country Parties]; and to provide financial, human resources, institutional and technical support for technology development and transfer to [developing country Parties][Parties not included in annex X].]

*Consolidation of paragraphs 132.1 and 132.3:**Observation:*

- Parties agreed not to consolidate these two paragraphs.

*Consolidation of paragraph 132.4 Option (a) (chapeau) and Option (c) (chapeau):*

132.4 [**Option (a) (chapeau)**: All Parties, in accordance with the principles of and obligations under the Convention, to establish means to facilitate access to and the deployment of [safe, appropriate and environmentally, economically and socially sound] technology, while promoting [and rewarding innovation in adaptation and mitigation technologies / environmentally sound technologies [on the basis of the strengthening of sustainable development trajectories and poverty eradication]] [the following]:]

*Consolidation of paragraph 132.5 Option (a) chapeau and Option (b) chapeau:*

132.5. [[Developing country Parties][Parties not included in annex X], with the support of [developed country Parties][Parties included in annex Y][all countries in a position to do so], to conduct an assessment of their technology needs, on the basis of national circumstances and priorities [and update the same periodically], with a view to ensuring nationally determined and environmentally, economically and socially sound resulting project proposals [and to effectively implement the outcomes of such an assessment], in order to support the implementation of this agreement. Developed country Parties shall provide support to developing country Parties to improve their capacities for conducting technology [needs] assessments:]

*Observation:*

- Parties agreed to maintain bullets i., ii. and iii. as contained in the Geneva text;

*Consolidation of paragraph 132.6 Option (a) (chapeau) and Option (b) (chapeau):*

132.6 [[All Parties] [Global participative collaboration] enabled by [Annex II Parties][Parties included in annex Y ] / led by [developed country Parties ]][Parties included in annex Y][all countries in a position to do so] to accelerate [global collaboration on] the research, development [and][,] demonstration [and the scaling-up of the implementation] of technologies:]

*Paragraph 132.6*

- It was noted that at this stage Parties were not ready to identify elements for decision material.

*Consolidation of paragraph 133 and all options of 133.1:*

## 133.1 [Anchoring:

The [Technology Mechanism] [and] [[any] institutional arrangements for technology] established under the Convention [, including the TEC and the Climate Technology Centre and Network (CTCN) ] [including the climate resilience and sustainable development mechanism,] shall serve this agreement by facilitating enhanced action on technology development [and] [,] transfer [and know-how] in order to achieve the objectives of this agreement.]

*Observation:*

- Parties agreed to keep the chapeau of paragraph 133 as is in the Geneva Negotiating Text noting that it serves to introduce the sub-paragraphs under paragraph 133.

*Consolidation of paragraph 133.2:*

## 133.2. [Guidance to and strengthening of the Technology Mechanism / institutional arrangements:

The governing body [may][shall] provide further guidance to [and/or strengthen the Technology Mechanism/] [the] institutional arrangements for technology [development and transfer] established under the Convention and serving this agreement, and the guidance provided by the governing body shall not conflict with the guidance provided by the COP.

**Option 1:** Specific provisions on strengthening:

- a. The TEC and the CTCN / Technology Mechanism of the Convention shall support the operationalization and delivery of the commitments related to technology development and transfer in this agreement, under the Convention:
  - i. Include provisions on accounting;
  - ii. Take into account the specific needs of [developing countries][Parties not included in annex X] and countries with special circumstances in Africa and the LDCs and SIDS;
  - iii. Promote needs-based development, access, management and control, emphasizing the most marginalized.
- b. The Technology Mechanism shall enhance cooperation and synergy with other institutional arrangements under [and outside] the Convention [and stakeholders, as well as the coherence and effectiveness of technology action and initiatives under the Convention]:
  - i. Establish linkages between the Technology Mechanism, the Financial Mechanism and capacity-building institutions;
  - ii. [The Poznan strategic programme on technology transfer to be linked to and/or guided by the Technology Mechanism;]
  - iii. [Provisions or measures related to other technology initiatives or regional centres;]
  - iv. [Enhance the role of the private sector to support the implementation of the Technology Mechanism;]
  - v. [Facilitate the role of public research and development, incentives for commercial research and development, the development of technologies and the reaching of economies of scale;]
  - vi. [The Green Climate Fund, in operationalizing its adaptation and mitigation windows shall ensure adequate financial resources for technology development and transfer and capacity-building for all climate change actions;]
  - vii. [Assessments of the effectiveness, adequacy and implementation of the institutional arrangements for technology development and transfer shall be conducted.]
- c. [The governing body] [An ad hoc review and monitoring mechanism shall be established and] shall conduct a periodic assessment of the effectiveness and adequacy [and implementation] of the [Technology Mechanism] [institutional arrangements] for technology development and transfer. [The [Technology Mechanism] [institutional arrangements] shall improve their performance, and be mandated new functions as needed in accordance with the result of the assessment.]

**Option 2:** No specific provisions on guidance to and/or strengthening of the Technology Mechanism in the agreement.]

*Observations:*

- Some Parties noted that the proposal with regard to Option 1, a. ii. “Take into account the specific needs of [developing countries][Parties not included in annex X] and countries with special

circumstances in Africa and the LDCs and SIDS” could be applied as a generic provision for all sub-bullets a., b. and c.

- Some Parties noted that the proposal with regard to Option 1, a. iii. “Promote needs-based development, access, management and control, emphasizing the most marginalized” could be applied as a generic provision for all sub-bullets a., b. and c.
- Parties noted that bullet Option 1 b. vii of the streamlined text with regard to “Assessments of the effectiveness, adequacy and implementation of the institutional arrangements for technology development and transfer shall be conducted.” could be deleted as the elements of this proposal are already covered by Option 1 c. of the streamlined text.
- Some Parties noted it would be useful to have further information regarding the on-going work of other bodies under the Convention relating to the work of the Technology Mechanism.

*Observations:*<sup>3</sup>

- Some Parties expressed willingness to move beyond mechanical streamlining to accelerate the consolidation of the text and not to wait until the second reading of the text.
- Parties were ready to move beyond streamlining and to start engaging in a conceptual discussion to further clarify and reduce choices/options in the text and better understand Parties’ views and positions.
- Some Parties also indicated their wish to have some space to discuss cross-cutting issues in the specific context of technology, for example: differentiation.
- Parties agreed that the next stage for the Section G is to engage in conceptual discussions on a number of paragraphs with a view to further clarifying and, when possible, consolidating proposals in the text.
- Parties noted the following paragraphs could be the starting point for these conceptual discussions in the next week:
  - Para 129 – Long-term technology goal;
  - Para 131 – Framework for scaling up technology development and transfer;
  - Para 132.4 – Elements on Intellectual Property Rights (IPRs)
  - Para 133.2 – Specific guidance to technology institutions, including financing for technology, and anchoring technology institution and linking with other institutions
  - Para 131, 132.5 (Option b), 132.6 (Option b) and 132.7 – identification of elements in these paragraphs that duplicate existing on-going work and institutions

*Consolidation of paragraph 136 (f) ii:*

136 (f) ii. [[Using] [Establishing] the INDC preparation and measurement, reporting and verification (MRV) processes of capacity-building support against needs identified by Parties, such that capacity is not a barrier to implementation beyond 2020].

*Observations:*

- Parties agreed not to consolidate sub-paragraphs 136 (f) v, (g) and (h).
- One Party noted that Options (a), (b) and (c) do not belong under sub-paragraph 136 (h) and should be moved to an appropriate place.

*Consolidation of paragraph 138 Options 1 and 3:*

138. [**Option 1:** [The [developed country Parties] [Parties] [Annex I Parties] [Parties included in annex X] and other Parties in a position to do so] [All countries in a position to do so] [should] [shall] [cooperate to] enhance the capacity of [developing countries] [developing country Parties] [Parties not included in annex X] to support the implementation of their [nationally determined] [contributions under this agreement][climate change actions] on the basis of the principles and provisions of the Convention [and other Parties in a position to do so to cooperate to enhance the capacity of [developing country Parties][Parties not included in annex X] in all areas of climate change action, to support the implementation of their [commitments][contributions] under this agreement and to foster South–South and triangular cooperation schemes]. [Such enhancement of capacity may provide important and relevant guidance to developing country Parties, but shall not interfere with the nature, scope or substance of developing country Parties’ nationally determined contributions];]

<sup>3</sup> These observations relate to section G.

*Observation:*

- Parties agreed that Options 2 and 4 remain unchanged.

*Unpacking of paragraph 139:**Observations:*

- Parties considered but could not agree on a proposal by the co-facilitator to unpack this paragraph.
- No Party present in the meeting took ownership for proposing this paragraph.

*Consolidation of paragraph 140.2 Options (a)-(c):*140.2. **[Option (a):** The international capacity-building mechanism shall comprise:

- a. A capacity-building committee with the following functions:
  - i. MRV of support received for capacity-building against needs identified by [developing country Parties][Parties not included in annex X];
  - ii. Facilitation of the effective implementation of capacity-building interventions at the national and regional levels;
  - iii. Provision of normative guidance on capacity-building related issues concerning this agreement to inform other institutions and mechanisms established under the Convention serving this agreement;
  - iv. Promotion of coherence between relevant institutions and mechanisms established under the Convention and this agreement;
  - v. Facilitation for developing country Parties of elaborating plans and strategies for achieving climate resilience and sustainable development trajectories in accordance with their national priorities and legislation.
- b. An evaluation mechanism with the function:
  - i. To assess the effectiveness of the delivery of capacity-building.
- c. Regional capacity-building centres:
  - i. To facilitate building capacity at the national and regional levels.
- d. An institute for capacity-building to operate as a consortium of tertiary institutions in all major regions of the world:
  - i. To build capacity in [developing countries][Parties not included in annex X] as a means of strengthening the ability and effectiveness of mitigation and adaptation actions.
- e. A capacity-building coordination centre.
 

The centre's mission will be to stimulate/foster cooperation on capacity-building and to enhance and support capacity-building. In addition, the centre will assist developing countries in areas of capacity-building in accordance with their respective capabilities and national circumstances and priorities.

The centre will have the following functions:

  - i. Compilation of information, from relevant sources, including from the comprehensive review and the outcomes of the Durban Forum on capacity-building;
  - ii. Analysis of information pertaining to capacity-building to identify, inter alia, gaps and needs and other relevant trends;
  - iii. Development and dissemination of tools and methodologies for the enhanced delivery of capacity-building;
  - iv. Development of tools for MRV of capacity-building;
  - v. Matching of identified capacity needs with possible sources of capacity-building support from governments, the private sector, intergovernmental organizations, academic institutions and non-governmental organizations;
  - vi. Close collaboration with other relevant bodies and processes under the Convention, including, but not limited to, the CTCN and the Adaptation Committee;
  - vii. Close collaboration with other intergovernmental organizations involved in capacity-building.
- f. An advisory body of the centre.
 

The advisory body of the centre shall give guidance to the centre on how to prioritize and address requests from developing countries and, in general, shall monitor, assess and evaluate the performance of the centre.
- g. A network of regional centres, academic institutions, private and public sector bodies and NGOs interested and involved in climate change capacity-building.

**Option (b):** The international capacity-building mechanism shall, inter alia:

- i. Assess support received for capacity-building against needs identified by developing country Parties;
- ii. Facilitate the effective implementation of capacity-building actions at the national and regional levels;
- iii. Promote coherence between existing institutions and mechanisms established under the Convention and this mechanism;
- iv. Assess the effectiveness of the delivery of capacity-building support;
- v. Facilitate building capacity at the national and regional levels.]

*Consideration of paragraph 140.3:*

*Observation:*

- Many Parties showed understanding that this paragraph in order to become effective would have to be moved to a decision. Parties however were hesitant to agree to move it at this point in time.

*General observations<sup>4</sup>:*

- One group of Parties commended the flexibility shown by Parties in combining options beyond consolidation and encouraged Parties to show the same flexibility in discussing other sections.
- Parties went through the whole section paragraph by paragraph and agreed that no further consolidation or streamlining possibilities could be identified.
- One Party considered that paragraph 140.2 could be further consolidated by its proponent.
- Parties discussed the structure of the section and agreed that it is clear and does not require restructuring.
- Parties also discussed which paragraphs could potentially be moved to an accompanying decision with a number of proposals made to that end (for example, paragraphs 135-137 and 139.1-140.3). However, many Parties found it premature to agree on potential decision material.

*Conceptual discussion:*

- Based on a proposal from a Party, Parties engaged in a very rich discussion on capacity-building needs from developing countries, how the needs have been addressed in the past and what will be arising from a new agreement, what gaps have been identified in the delivery of capacity-building, how these gaps are being addressed and what more needs to be put in place to fully meet the needs of developing countries.

*Individual Parties expressed the following points of views:*

- Capacity-building is not a liability of developed countries, but needs to be a collaborative undertaking;
- Capacity needs are very different in each country;
- There is no process or mechanism to identify or assess these needs in a systematic and comprehensive manner;
- The nature and scope of the delivery of capacity-building support does not meet the needs of developing countries;
- In the past capacity-building support mostly focussed on helping developing countries to meet their reporting requirements under the Convention;
- There are a number of institutions established under the Convention and its Kyoto Protocol that have mandates to facilitate capacity-building in their specific thematic areas. However, there is a lack of coordination between these bodies and their work is not country-driven;
- In many cases technical assistance to developing countries is still provided by international consultants, which does not lead to building or enhancing local expertise;
- Capacity-building should be treated as a stand-alone and not a cross-cutting issue in the UNFCCC process similar to finance and technology development and transfer;
- Capacity-building should be long-term and integrated in national development plans rather than incorporated in ad-hoc projects;
- New capacity-building needs are emerging in relation to the new agreement;
- It is necessary to assess whether existing institutional arrangements can respond to existing and emerging needs and how such institutions may need to be enhanced;

<sup>4</sup> These observations relate to section H.



- A new mechanism on capacity-building is required to govern, advise, coordinate, monitor and evaluate the delivery of capacity-building.

*Observations:*

- All Parties appreciated the mode of discussion and indicated interest to continue;
- One Party invited other Parties to discuss these matters further bilaterally;
- The facilitator encouraged Parties to also consider aspects of timing of actions required to prepare developing countries for the implementation of the new agreement.

*Consolidation of paragraph 141, Option 1 sub-paragraphs a.-h. and Option 2 sub-paragraphs a.-i.:*

141. [**Option 1** (*chapeau*): A transparency framework, applicable to all Parties and differentiated between [developed country Parties][Parties included in annex X] and [developing country Parties][Parties not included in annex X], under the Convention and in accordance with previous decisions of the COP, shall promote transparency of action and support by providing information on the implementation of each Party's commitments / contributions in an efficient and flexible manner, in order to:]
- [**Option 2**: (*chapeau*): A [single] / common transparency framework, applicable to all Parties, [taking into account their common but differentiated responsibilities and respective capabilities, in the light of different national circumstances and recognizing that Parties shall progressively enhance the level of transparency such that it is strengthened and more robust relative to the level currently existing under the Convention,] shall promote transparency of action and support by providing information on the implementation of each Party's commitments / contributions in an efficient and flexible manner, [recognizing that Parties with the least capacity may need additional support to do so,] in order to:]
- Enhance clarity, comparability [among [developed countries][Parties included in annex X]], accountability and mutual trust and promote ambition [/ progressive enhancement];
  - Facilitate the tracking of progress in the implementation of commitments / contributions;
  - Provide the clearest possible understanding of aggregate emissions relative to emission pathways consistent with limiting the global average temperature increase to below 2 °C or 1.5 °C above pre-industrial levels;
  - Option (a)**: Ensure that commitments / actions and provision of support by [Annex II Parties][Parties included in annex Y][all countries in a position to do so] are implemented and complied with and verified through a robust verification system, and facilitate the comparison of MRV of all types of support received with the needs expressed and identified by [developing country Parties][Parties not included in annex X];  
**Option (b)**: Promote the implementation of action and support, and ensure that efforts are verified through a robust verification system;
  - Facilitate [/Ensure] the use of mitigation outcomes resulting from international [international/national] market-based mechanisms in the accounting of each Party's commitments / contributions;
  - Avoid double counting;
  - Ensure the environmental integrity of this agreement;
  - Provide the necessary flexibility to Parties through the use of tiers or 'opt-out' provisions;]
  - Enhance transparency and accountability on finance, technology and capacity-building support provided by developed country Parties to developing country Parties through robust accounting rules and an MRV system.]

*Consolidation of paragraph 143 Options 1 (a) and (b) and Option 3:*

143. [**Option 1**: The transparency framework shall encompass MRV of emissions and removals[, support from developed country Parties to developing country Parties] and the accounting of commitments / contributions, including those related to support, and shall be based on agreed rules / be based on existing MRV arrangements under the Convention and / be guided by the following:
- [Article 12] [The principles and provisions] of the Convention;
  - a bis. The principles of Article 3 of the Convention;
  - Option (a)**: Taking into account the differing national circumstances / common but differentiated responsibilities / the unique circumstances / and respective capabilities of Parties;  
**Option (b)**: Taking into account Parties' common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances;

- [c. Accommodating different contributions and countries' differing capacities; and/or providing for differentiation in reporting and the common international review of reports;]
- [d. Avoiding imposing onerous burdens on [poor and] [particularly] vulnerable countries or [developing countries][Parties not included in annex X] and, in particular, the LDCs and SIDS, with respect to support received for adaptation, capacity-building and access to and adoption of appropriate technologies;]
- e. Recognizing that the transparency framework will evolve, building on existing decisions [/experience with existing MRV arrangements];
- [f. Tracking post-2020 commitments;]
- [g. Ensuring transparency, accuracy, completeness, comparability and consistency;]
- h. [Maintaining or improving levels of transparency over time][Maintaining or improving the scope, frequency, recency and level of detail of Parties' reporting and inventories, with the fulfilment of commitments under Article 4, paragraph 3, of the Convention];
- [i. Building countries' capacities over time and institutionalizing reporting capacity;]
- [j. Minimizing the burden on Parties, the secretariat and the review system;]
- k. Be based on, and enhance and improve, the existing transparency framework under the Convention and its Kyoto Protocol;
- l. Building developing country Parties' MRV capacity through a continuous and systematic funding [basis][base];
- m. Avoiding imposing disproportionate/excessive burdens on small State Parties with limited administrative capacities/resources.
- [n. Consistent with the level of support provided for [developing countries][Parties not included in annex X];]

*Observation:*

- Parties agreed not to consolidate Option 3 with the other options.

*Consolidation of paragraph 145 Option 2, 3 and 6:*

*Observation:*

- Parties agreed not to consolidate these options.

*Consolidation of paragraph 152 Option 1 g Options (a) and (b):*

*Observations:*

- Parties agreed not to consolidate these options.
- One Party noted that there is a link to another section (para. 39) of the Geneva Negotiating Text.

*Observation:*

- *Conceptual discussion on differentiation* - Parties engaged in an initial conceptual discussion on the issue of "differentiation" as it applies to the transparency of action and support, with the recognition that it is an issue that cuts across all other sections. Parties appreciated the opening of this space to hear each other's points of view and concerns. Noting that discussions were rich in substance, Parties involved in this initial session expressed the desire to continue with this discussion.

*Observations<sup>5</sup>:*

- There was a discussion over the use of brackets and slashes, in particular on consistency of approach, and some Parties called for further clarification on the use of brackets.
- Some Parties noted that there was material in section J that was suitable for decisions, in particular in relation to paragraph 176, Option 3 and paragraph 176.5.
- Some Parties noted that in streamlining some, seemingly straightforward, paragraphs conceptual differences were revealed that led to a better understanding of the text and other Parties' views.
- Some Parties also noted that there was scope for further streamlining in this section and that more time is needed to do so.

<sup>5</sup> These observations relate to section J.

*Consolidation of paragraph 168 Options 1 (chapeau) and 2 (chapeau):*

168. [**Option 1 (chapeau)**: [Pursuant to Article 2 of the Convention,] [in accordance with the provisions of the Convention and in the light of its Article 4,] [all] Parties to periodically communicate or update their proposed commitments / contributions[, with developing country Parties doing so within the context of the basis of the provision of support. Such periodic communications shall take into account national circumstances and factors that affect the national determination of climate actions, such as public policy planning and execution cycles and domestic legislative requirements];]

*Consolidation of paragraph 168 Options (d) and (e) as new Option (d):*

168. [**Option (d)**: Every five years for [developed country Parties][Parties included in annex X] [only] [and every 10 years for [developing country Parties][Parties not included in annex X]]];]

*Consolidation of paragraph 176 Options 1 and 2:*

176. [**Option 1**: No ex ante consideration process / no arrangements for further facilitating transparency and clarity [/ no consultative process / period].]

*Observation:*

- Concern raised over the consistent use of brackets and slashes. Here, it was noted that brackets signaled streamlining.

*Consolidation of paragraph 176 Option 3 Option (a) sub-paragraph a.:*

176. [**Option 3 Option (a) a.** [Facilitate understanding of the level of ambition and [equity] [fairness] of the commitments / contributions [and the long-term temperature goal] in the context of [a Party's long-term low-emission development pathway] [shared vision resulting from the Bali Action Plan and equitable access to sustainable development];]

*Observation:*

- Again, Parties raised concerns over the use of brackets and slashes and sought further clarification on this point. Asked to clarify that brackets do not necessarily represent exclusive options.

*Consolidation of paragraph 176 Option 3 Option (a) sub-paragraph b.:*

176. [**Option 3 Option (a) b.** [Assess the adequacy and [equity] [fairness] [of the] [aggregated contributions] [overall effects] compared with science, [as part of the principle-based reference framework][, in accordance with the historical responsibilities, leadership and current capabilities of developed country Parties, and taking into account the special circumstances, barriers and priority of economic and social development and poverty eradication of developing country Parties];]

*Consolidation of paragraph 176 Option 3 176.1 Options (a), (b), and (c):*

- 176.1. [Parties' commitments / contributions / actions to be considered on the basis of [[a consultative process] [a principle-based reference framework to be established] to ensure clarity, transparency and understanding of the commitments / contributions [/actions]] [existing arrangements and processes under the Convention];]

*Consolidation of paragraph 176 Option 3, 176.4 sub-paragraphs a. to f.:*

- 176.4. [On the basis of the ex-ante consideration process / further facilitation of transparency and clarity / consultative period/process:

**Option (a)**: Each Party to [consider the recommendations resulting from] [make a reflection on the outcome of] the process;

**Option (b)**: Each Party to [revise][adjust] its commitment / contribution on a voluntary basis [upwards, through an adjustment procedure in accordance with decisions of the governing body];

**Option (c)**: Parties will undertake top-down adjustments on the basis of a global carbon budget;

{previous option (e) unchanged}

**Option(d)**: Each Party to consider adjustments on the basis of historical responsibilities and equitable sharing of global atmospheric resources and carbon space in the context of imperatives of poverty eradication, universal energy access and sustainable development for developing countries.

{previous option (f) unchanged}

*Consolidation of paragraph 176 Option 3 176.5 sub-paragraph b.:*

- 176.5 b. [Consultations among Parties, including through [workshops and round tables]][two sets of workshops/roundtables for developed and developing country Parties respectively];]

*Consolidation of paragraph 176 Option 3 176.5 sub-paragraph c.:*

- 176.5 c. [A joint Subsidiary Body for Implementation (SBI) / SBSTA programme to prepare recommendations for the COP [composed of two task forces, for developed and developing country Parties respectively];]

*Consolidation of paragraph 176 Option 3 176.5 sub-paragraph e.:*

- 176.5. e. [Inputs to the process, including modalities for [the analysis, synthesis and/or compilation of the commitments / contributions]][two compilations of the commitments, by developed and developing country Parties respectively.]]

*Observation:*

- Some Parties noted that they considered the sub-paragraphs of 176.5 as being potential decision material.

*Consolidation of paragraph 181, Options 1 and 5:*

181. [**Option 1**: A Party [to be allowed to] [may] exceptionally adjust its [proposed / provisional] commitment / contribution, [in line with modalities developed by the governing body,] subject to certain conditions, including: if subsequent rules differ substantially from the Party's assumptions[, or force majeure] [, as specified in the information to be provided pursuant to the reference to the provision addressing accompanying information], [provided that there is no backsliding].]

*The meeting also considered the following paragraphs but decided not to consolidate the text:*

- Paragraphs 169 and 171
- Paragraph 176 Option 3 and paragraph 176.4 Options (e) and (f)
- Paragraph 176 Option 3 and paragraph 176.5 sub-paragraph a.
- Paragraph 178 Options 1 and 2
- Paragraph 180

*Observations:*

- With regard to paragraphs 169 and 171, it was noted that, although the text was similar, the paragraphs contained different concepts.
- With regard to paragraph 178 Options 1 and 2, Parties attempted to merge Options 1 and 2 but recognized that although the first part was the same the sub-paragraphs of Option 2 did not match Option 1.
- The meeting started to discuss paragraph 181 Options 2 and 3, but due to time constraints could not conclude its consideration.

*Consolidation of paragraph 181 Options 2 and 3:*

- No agreed consolidation.

*Consolidation of paragraph 185:*

- No agreed consolidation.

*Observations:*

- Some Parties noted that this should be in the agreement, with modalities set out in decisions.
- A Party noted this should be in decisions, to be adopted once the agreement comes into force.
- A Party noted the interlinkages with the establishment of new arrangements and the six elements set out in decision 1/CP.17 and that Parties should not prejudge whether this matter is to be included in agreement or in a decision, adopted either at Paris or after Paris. It was also noted that this matter could be included in decisions adopted after Paris.

*Consolidation of paragraph 186:*

- No agreed consolidation.

*Observation:*

- Some Parties noted that this matter should be in the agreement.

*Consolidation of paragraph 188 Options 2 and 3:*

- No agreed consolidation.

*Observations:*

- Some Parties noted that this matter should be in the agreement.
- A Party noted a concern on the use of the word ‘strategic’.

*Discussion on re-ordering of paragraphs within Section J:*

- Parties noted that the section was complex and could benefit from reordering/clustering of similar ideas.
  - To this end, submissions were made by EU, LMDC and AILAC.
  - Due to the differences presented in the 3 submission, the co-facilitators were asked to do a technical exercise to amalgamate these three submissions, underlining that this input would merely be a tool to facilitate further discussion and had no status or standing.

*A general exchange of views on the role of differentiation within Section J:*

- Some Parties noted that the issue of differentiation occurred throughout the section. While it was acknowledged that common but differentiated responsibilities and respective capabilities (CBDRRC) will be in the agreement, there was a discussion on how differentiation impacted on timeframes.
  - Some Parties noted the need to look at differentiation in the context of:
    - Timeframes and processes, such as reporting/review, as well as in content, e.g. commitments/contributions.
    - Aggregate and individual consideration.
  - Other Parties noted review arrangements were already in the Convention that reflected differentiation.
  - A Party also noted that differentiation had been reflected in different ways in previous COP decisions, e.g. CBDRRC, in light of different national circumstances.
- Some Parties noted that there may be different/parallel cycles of commitments/contributions for different thematic areas, with some suggestions for including such cycles in the sections on mitigation, adaptation and finance. Other Parties noted that the aggregate assessment is a holistic process.

*Consideration of Option I in Section K*

*Observations:*

- It was observed that the section offers several alternative models for arrangements for implementation and compliance. Parties agreed that within Option I:
  - Paragraph 194 Option 7 should be presented as a standalone option, i.e., as Option IV.
  - Paragraph 194 Option 8 should be presented as a standalone option, i.e., as Option V.

*Consolidation of paragraph 194 Option I Options 1 (chapeau) and 2 (chapeau):*

194. [**Option 1 (chapeau)**: In order to [assist Parties in implementing their commitments/contributions] [and/or to address] [facilitate, promote and enforce] compliance [issues] [with commitments under this agreement] [in a manner that is expert-based, non-confrontational and non-judicial]:]

*Consolidation of paragraph 194 Option I Options 1 to 4:*

*Observations:*

- No agreed consolidation
- A step-by-step approach to considering the proposed consolidation by a group of Parties could have enhanced understanding of the proposal, especially when attempting to streamline a number of options at the same time.

*Consolidation of paragraph 194 Option I Options 5 and 6:*

194. [**Option 5**: [A] [The] compliance [mechanism or] committee/[implementation committee]/[a standing body] [responsible for promoting implementation and compliance and assessing Parties performance] is established. [The composition of the compliance committee shall be based on

equitable geographical representation, ensuring representation of small island developing States. The body shall comprise [X] members. Decisions of the compliance committee shall be made by consensus where possible and, as a last resort, by a [two-thirds/three-fourths] majority;]]

*Consolidation of paragraph 194 Option I c. Options (a) and (b):*

*Observations:*

- No agreed consolidation
- Some Parties preferred to keep the options separate because one option reflected differentiation among Parties while the other did not.

*Consolidation of paragraph 194 Option I d.v. Options (a), (b), (c) and (f):*

194.d.v. Measures and/or consequences:

[**Option (a)**: Facilitative [measures] [only] [and [sanctions [for recurring non-compliance]]] [and other adequate measures];]

*Observations:*

- Consolidation across the same section, e.g. between elements of Options I and III may be possible as a next step. Clarification on the placement of the agreed consolidation would, however, be necessary. Parties might wish to identify how to treat such consolidations.
- A clarification on the significance of the use square brackets would be useful.
- The question of how the footnote to this section (“Some Parties consider that it is premature to discuss this section.”) will be considered was raised.
- A clarification of the relationship between Geneva Negotiating text (document FCCC/ADP/2015/1) and the working document would also be useful.

*General observations<sup>6</sup>:*

- There was recognition that concepts in the section can be labelled, or alternatively, categorized into baskets or high-level categories. Parties have identified that discussion on these baskets or categories is necessary in order to unpack paragraphs and clarify concepts and elements. Parties showed interest in exploring possible baskets or categories for these concepts and elements.
- Some Parties observed that it would be challenging and premature to enter into a substantive discussion, given the uncertainty on issues such as the legal form of the agreement, the nature of the commitments, and differentiation. Other Parties pointed out that a discussion on the design of a compliance mechanism could be useful even in the face of such uncertainties. A number of Parties expressed their willingness to explore concepts and identify possible options for a compliance mechanism that would be contingent on the legal form of the new agreement.
- Parties noted that the various proposals relating to the themes, concepts or categories reflected in the section had different purposes, including, inter alia, to assist in a conceptual discussion, to identify options that needed to be further clarified, to improve the structure of the section, to provide a better layout of the issues to initiate a conversation on these, and to identify models for compliance and implementation.
- It was observed that due to different unpacking approaches, some proposals listed paragraphs only under one category, while other proposals associated these paragraphs with more than one category, and that there was a difference of views on the optimal number of categories.
- The co-facilitators were requested to put all proposals together and to explore how this compilation could be used as a tool to facilitate further discussions, noting that this document would have no status. Some Parties noted the importance of taking into consideration Parties’ observations in such compilation and maintaining the integrity of proposals in the compilation. Other Parties highlighted the importance of preserving the different standalone options (I, II and III) intact and unmerged.
- An observation was made that different models for compliance and implementation mechanisms are not necessarily mutually exclusive.
- Parties also noted that it would be useful to see the exercise of developing themes, concepts or categories in the context of the overall purpose and aim for the session.
- Different Parties identified a number of issues to be considered in the conceptual discussion in relation to this section including: possible common grounds between Parties, such as the possible facilitative nature of a compliance mechanism, differentiation issues in the context of this section

<sup>6</sup> These observations relate to section K.

and discussion on which paragraphs would be appropriate for the agreement, and which paragraphs could be included in a COP decision.

*Consolidation of paragraph 216.2 Options 1 and 2:*

216.2 [**Option 1:** This agreement [shall] [will] [enter into force] [come into effect on and be implemented from 2020] [on the thirtieth / ninetieth day after the date on which not less than 10/50/[X] (a number that is not over- or under-inclusive) Parties to the Convention have deposited their] [subject to the deposit of [X] number of] instruments of ratification, acceptance, approval or accession;]

*Observation:*

- Some Parties noted that legal clarification was required of the terms “enter into force” and “come into effect”, and whether these two terms were intended to have the same meaning.

*Consolidation of paragraph 216.2 Option 3:*

*Observations:*

- No agreed consolidation.
- Parties were of the view that Option 3 contains a specific principle and the merging exercise will dilute it.

*Consolidation of paragraph 216.2 Options 4 and 6:*

216.2 [**Option 4:** The agreement [shall] [will] enter into force [on [X] date (“from 2020”)] [1 January 2020 at the latest], provided that [X] [number of Parties have deposited their instruments and that the total of emissions of such Parties] [constitutes [X] per cent of the global total of emissions in year [X]] [covers [in total [X] Gt of CO<sub>2</sub> eq]]. [If such thresholds have not been met by [X] date, the agreement will enter into force [X] days after the thresholds have been met];]

*Consolidation of paragraph 216.2 Option 5:*

*Observations:*

- No agreed consolidation.
- Parties were of the view that Option 5 contains a specific principle and the merging exercise will dilute it.

*Consolidation of paragraph 216.2 Options 7 and 8:*

216.2 [**Option 7:** This agreement shall enter into force on the ninetieth day after the date on which not less than [55 Parties to the Convention, incorporating Parties included in Annex I to the Convention that accounted in total for at least 55 per cent of the total carbon dioxide emissions for 1990 of the Parties included in Annex I] [half of the Parties to the Convention, incorporating all Parties included in Annex I], have deposited their instruments of ratification, acceptance, approval or accession.]

*Consolidation of paragraph 223 Options 1 and 2:*

223. [*Withdrawal (based on Article 25 of the Convention)*]

At any time after [X] years from the date on which this agreement has entered into force for a Party, that Party may withdraw from this agreement by giving written notification to the Depository. Any such withdrawal shall take effect upon expiry of [one year from the date of receipt by the Depository of the notification of withdrawal] [the then current mitigation commitment of that Party, the Party having discharged itself from all duties connected to this commitment], or on such later date as may be specified in the notification of withdrawal. Any Party that withdraws from the Convention shall be considered as also having withdrawn from this agreement.]