

## **Ad-hoc Working Group on the Paris Agreement (APA)**

*Third part of the first session, Bonn, 8-18 May 2017*

### **APA 1.3 Agenda Item 8 – Further matters related to implementation of the Paris Agreement:**

- (a) Preparing for the convening of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
- (b) Taking stock of progress made by the subsidiary and constituted bodies in relation to their mandated work under the Paris Agreement and section III of decision 1/CP.21, in order to promote and facilitate coordination and coherence in the implementation of the work programme, and, if appropriate, take action, which may include recommendations

*Informal Note by the Co-Chairs*

*Final version*

*17 May 2017@9:30 hours*

*Note: This informal note is our attempt to informally capture the views expressed by Parties on this agenda item to date. The note has been prepared under our own responsibility and thus has no formal status. The content of the note is not intended to prejudge further work that Parties may wish to undertake nor does it in any way prevent Parties from expressing other views they may have in future.*

### **Overview of the informal consultations on this item**

1. At the third part of the first session of the Ad-hoc Working Group on the Paris Agreement (APA 1.3), Parties continued consideration of further matters related to implementation of the Paris Agreement. During the informal consultations, Parties focused the discussions on sub-item 8(a): “Preparing for the convening of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement” on possible additional matters relating to the implementation of the Paris Agreement (“possible additional matters”). Parties were also invited to address sub-item 8(b): “Taking stock of progress made by the subsidiary and constituted bodies in relation to their mandated work under the Paris Agreement and section III of decision 1/CP.21, in order to promote and facilitate coordination and coherence in the implementation of the work programme, and, if appropriate, take action, which may include recommendations”. This third iteration of the informal note seeks to capture the exchange of views by Parties on sub-item 8(a).

2. Parties recalled that at the first part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1.1), the CMA referred to SBI 47 two of the possible additional matters<sup>1</sup> that were identified by Parties at APA 1.2<sup>2</sup> during the Marrakech Conference. During the informal consultations, Parties discussed the remaining seven matters, namely:

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<sup>1</sup> See paragraph 24 of the report of CMA 1.1 available at: <http://unfccc.int/resource/docs/2016/cma1/eng/03a01.pdf>.

<sup>2</sup> The possible additional matters identified by Parties are contained in the annex to the [informal note by the Co-Chairs previously issued during the Marrakech Conference](#).

- a. Progress and procedural steps to enable the forum on the impact of the implementation of response measures to serve the Paris Agreement further to decision 1/CP.21, paragraphs 33 and 34;
- b. Modalities for the recognition of adaptation efforts of developing country Parties under Article 7, paragraph 3, and decision 1/CP.21, paragraph 41;
- c. Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5;
- d. Initial guidance by the CMA to the operating entities of the Financial Mechanism (GCF & GEF) under Article 9, paragraph 8, and decision 1/CP.21, paragraphs 58 and 61 to 63;
- e. Initial guidance by the CMA to the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) in accordance with decision 1/CP.21, paragraph 58;
- f. Guidance by the CMA on adjustment of existing Nationally Determined Contributions (NDCs) under Article 4, paragraph 11; and
- g. Setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53.

3. There was a common understanding among Parties that some of these are mandated issues for the CMA to address. It was also noted that the list of possible additional matters contained in the annex to the informal note issues by the Co-Chairs during the Marrakech Conference has no particular status.

### **Moving towards capturing progress at APA 1.3**

4. During the consideration of these possible additional matters, Parties identified areas where further clarification is needed. The informal consultations helped to further Parties' understanding of the procedural aspects relating to each possible additional matter. Parties also noted the linkages of each possible additional matter with other issues being addressed by the Conference of the Parties (COP), and the subsidiary and constituted bodies. Parties emphasized that the APA's role was limited to considering procedural aspects and steps relating to each additional matter, with a view to recommending a way forward, without prejudice to any action to be taken by the Conference of the Parties (COP) or the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).

5. Each of the seven possible additional matters was discussed in light of the following three guiding questions posed by the Co-Chairs:

- a. Is preparatory work on this matter currently being undertaken? If so, where?
- b. If there is no preparatory work being undertaken on this matter, is preparatory work required, and if so, by which body?
- c. What should be the timeframe for this work?

6. A summary of the discussions during the informal consultations on each possible additional matter, the Co-Chairs' understanding of the procedural steps on some of the matters in response to requests for clarification by Parties, and the proposed way forward on some of the matters, is contained below. Should Parties reach an agreement on a way forward on any of the possible additional matters, this will be reflected in the conclusions of APA 1.3.

- a. Progress and procedural steps to enable the forum on the implementation of response measures to serve the Paris Agreement further to decision 1/CP.21, paragraphs 33 and 34

7. On this possible additional matter, Parties noted that the COP, through its decision 1/CP.21, decided that the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) shall recommend, for consideration and adoption by CMA 1, the modalities, work programme and functions of the forum on the impact of the implementation of response measures under the Agreement. Parties, therefore, considered that this possible additional matter is related to the work being undertaken by the SBSTA and the SBI on the forum on the impact of the implementation of response measures.

8. Parties requested clarification as to whether the specific progress and procedural steps on this possible additional matter are being addressed by the SBSTA and the SBI under their current mandates. At the request of Parties, the APA Co-Chairs informally consulted with the Chairs of the SBSTA and the SBI on this matter, and informed Parties that it is the shared understanding of the four Presiding Officers that Parties may raise this possible additional matter during the negotiations being undertaken by the SBSTA and the SBI on the related issue, including during the negotiations at the forty-sixth sessions of the SBSTA and the SBI in May 2017. Some Parties, however, requested reassurance that this matter would be addressed by the SBSTA and the SBI if raised by Parties. Also at the APA Contact Group on 13 May 2017, a request was made for the way forward on this matter to be included in the APA 1.3 conclusions.

9. **Possible way forward:** This matter could be raised by Parties during the SBSTA and the SBI negotiations on the related issue. The APA could recommend to the COP, that, at its 23<sup>rd</sup> session, it addresses the need for procedural clarity with regards to the draft decisions for consideration and adoption at CMA 1 on this matter (without prejudice to the clear intent of the Parties that the forum shall serve the Paris Agreement as mandated by decision 1/CP.21). On the assumption that the COP addresses the matter, no further consideration would be needed by the APA. This approach would be reflected in the APA 1.3 conclusions.

b. Modalities for the recognition of adaptation efforts of developing country Parties under Article 7, paragraph 3, and decision 1/CP.21, paragraph 41

10. During the discussion of this possible additional matter, Parties noted that the COP, through its decision 1/CP.21, has requested the Adaptation Committee (AC) and the Least Developed Countries Expert Group (LEG) to jointly develop modalities to recognize the adaptation efforts of developing country Parties, as referred to in Article 7, paragraph 3, of the Agreement, and make recommendations for consideration and adoption by CMA 1. Parties also took note of the special event organized by the AC and the LEG on their work, convened on 12 May 2017.

11. Parties sought clarification of the procedural steps that would determine how and when a draft decision on the recommendations of the AC and the LEG would be prepared for consideration and adoption by CMA 1. The Co-Chairs outlined their understanding of the procedural steps for the consideration of the joint recommendations of the AC and the LEG to CMA 1, in accordance with the mandates from the COP, as follows:

- a. The recommendations of the AC and the LEG to CMA 1 would be included in the reports of the AC to the COP, and of the LEG to the SBI;
- b. The COP would request the SBSTA and the SBI to jointly consider the AC's report, and prepare a draft decision on the recommendations to go from the COP to CMA 1; and
- c. The COP could also request the SBSTA and the SBI to take into account the LEG's report to the SBI simultaneously with their consideration of the AC's report.

12. At the APA Contact Group on 13 May 2017, a request was made for the way forward on this matter to be included in the APA 1.3 conclusions.

13. **Possible way forward:** The APA could recommend to the COP that it addresses the need for procedural clarity on this matter with regards to the draft decisions for consideration and adoption at CMA 1. On the assumption that the COP addresses the matter, no further consideration would be needed by the APA. This approach would be reflected in the APA 1.3 conclusions.

c. Modalities for biennially communicating information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5

14. During the consideration of this possible additional matter, Parties were invited to recall that at COP 22 in Marrakech, the COP initiated the process to identify the information to be provided by Parties, in accordance with Article 9, paragraph 5, of the Agreement, and adopted decision 13/CP.22 on this matter. That decision requested the secretariat to organize a roundtable discussion on the provision of public financial resources to developing countries, held on 16 May 2017.

15. Some Parties were of the view the COP could mandate the APA or the SBI to undertake work on this possible additional matter. Other Parties, however, considered no additional mandate was necessary given the work being undertaken by the COP. Parties also expressed divergent views about whether the work of the COP addressed this possible additional matter.

16. Parties will continue considering this matter at the next session of the APA.

- d. Initial guidance by the CMA to the operating entities of the Financial Mechanism (the Green Climate Fund (GCF) and the Global Environment Fund (GEF)) under Article 9, paragraph 8, and decision 1/CP.21, paragraphs 58 and 61 to 63, and initial guidance to the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) in accordance with decision 1/CP.21, paragraph 58

17. During the consideration of these two possible additional matters, Parties proposed they should be merged as they are very similar. Parties recalled that the COP recommended that the CMA shall provide guidance to the entities entrusted with the operations of the Financial Mechanism of the Convention on the policies, programme priorities and eligibility criteria related to the Agreement for transmission by the COP. Parties also recalled that the COP decided that the Standing Committee on Finance (SCF) shall serve the Agreement in line with its functions and responsibilities established by the COP.

18. Parties shared the view that this possible additional matter could be addressed at a future session of the CMA, given the existing guidance from the COP to the operating entities (which applies mutatis mutandis to the CMA), and in view of the guidance provided by the COP to the operating entities with respect to the Agreement (further to decision 1/CP.21, paragraphs 58, and 61 to 63). Some Parties were of the view that the term “initial” should be deleted, although others considered that it should be retained.

19. On the issue of when and how these two possible additional matters would be addressed by the CMA, Parties had a shared understanding that the mandate to the SCF to prepare draft guidance could be triggered at CMA 1.3, with a view to the SCF forwarding the draft guidance to the next session of the CMA (CMA 2) and the items included on the agenda of the CMA at that time. Other Parties were of the view that the mandate to the SCF could be triggered at CMA 1.2 with a view to the SCF forwarding the draft guidance to CMA 1.3.

20. Parties will continue considering this matter at the next session of the APA.

- e. Guidance by the CMA on adjustment of existing Nationally Determined Contributions (NDCs) under Article 4, paragraph 11

21. Parties noted that work on NDCs is currently being undertaken by the APA and the SBI. Some Parties were therefore of the view that initiating discussions now would be premature, and that this issue could be considered by the CMA at a later session after the completion of work on NDC-related matters by the subsidiary bodies. For some Parties, this raised the question of when such consideration should occur. Some Parties noted that space should be created to discuss this matter given the critical linkages with other work by the APA and the SBI.

22. The view was also expressed that it is not within the mandate of the CMA to give guidance on NDCs, as these are nationally determined, and any CMA guidance on adjustment of NDCs should be limited to only operational or procedural aspects.

23. Parties will continue considering this matter at the next session of the APA.

- f. Setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53

24. Parties agreed that setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53, is a mandated and important matter for the CMA to address. A proposal was made that the SBI should be mandated to undertake the technical work, while other Parties noted that this should be up to the CMA to decide. There was also a shared understanding among Parties that consideration of this matter would benefit from discussion of work on related issues being addressed in the climate change regime, as well as on past experiences.

25. While there was an agreement on the clear mandate on this matter to the CMA, there were divergent views on the timing and sequencing of work by the CMA. Some Parties were of the view that work should begin at CMA 1.3 given the complexities and timeframe for consideration, with some other Parties of the view that work should begin at CMA 1.2. Another group of Parties considered that, to benefit from the outcome of key matters being addressed in the climate change process, as well as the changing climate finance landscape, the CMA's consideration of this matter should be undertaken at a later stage (e.g., either after 2020, or beginning in 2023/2024).

26. Parties will continue considering this matter at the next session of the APA.

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