

18 October 2018

Joint reflections note by the presiding officers of the Ad Hoc Working Group on the Paris Agreement, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation

Addendum 9

Further matters related to implementation of the Paris Agreement: 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

Possible additional matters¹

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A. Progress to date and ways forward

1. At the sixth part of the first session of the Ad Hoc Working Group on the Paris Agreement (APA), Parties considered further ways forward on the remaining possible additional matters relating to the implementation of the Paris Agreement referred to in the report on APA 1.3,² namely:

- (a) Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5, of the Paris Agreement;³

¹ Different views have been expressed by Parties on whether the possible additional matters should be added to the Paris Agreement work programme for the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA). The possible additional matters are: (1) modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5, of the Paris Agreement; (2) initial guidance by the CMA to the operating entities of the Financial Mechanism (the Green Climate Fund and the Global Environment Facility) under Article 9, paragraph 8, of the Paris Agreement and decision 1/CP.21, paragraphs 58 and 61–63; (3) initial guidance by the CMA to the Least Developed Countries Fund and the Special Climate Change Fund in accordance with decision 1/CP.21, paragraph 58; (4) guidance by the CMA on the adjustment of existing nationally determined contributions under Article 4, paragraph 11, of the Paris Agreement; and (5) setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53.

² FCCC/APA/2017/2, paragraph 31, and footnote 26.

³ Decision 12/CP.23, paragraph 5, requested the Subsidiary Body for Implementation to consider, beginning at its forty-eighth session and at any subsequent sessions on the Paris Agreement work programme, the identification of the information to be provided by Parties in accordance with Article 9, paragraph 5, of the Paris Agreement, and to forward the outcomes to the Conference of the Parties (COP) at its twenty-fourth session with a view to the COP providing a recommendation for consideration and adoption at CMA 1.3.

- (b) Initial guidance by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) to the operating entities of the Financial Mechanism (the Green Climate Fund and the Global Environment Facility) under Article 9, paragraph 8, of the Paris Agreement, and decision 1/CP.21, paragraphs 58 and 61–63;
- (c) Initial guidance by the CMA to the Least Developed Countries Fund and the Special Climate Change Fund in accordance with decision 1/CP.21, paragraph 58;
- (d) Guidance by the CMA on the adjustment of existing nationally determined contributions (NDCs) under Article 4, paragraph 11, of the Paris Agreement;
- (e) Setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53.

2. Parties also considered the submission made at APA 1.5 that called for space to consider modalities, procedures and guidelines for enhancing understanding, action and support for loss and damage in accordance with Article 8, paragraphs 3 and 4, of the Paris Agreement.

3. Parties also considered agenda 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”, and continued to share views on how to ensure coordination and coherence in the implementation of the Paris Agreement work programme. Parties expressed their appreciation for the coordination efforts of the Chairs of the APA, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation. Deliberations on the sub-item will continue at APA 1.7.

4. While the progress with the text on possible additional matters was limited at APA 1.6, the discussion at that session helped to further clarify the positions of Parties with regard to these issues and reconfirm that all options are reflected correctly in the text.⁴ Now Parties need to decide among those options. Our textual proposal for this item (see chapter B below) is designed to help by simplifying the presentation of the options but does not change the nature of the decisions that Parties need to make on these issues.

5. The option for no recommendation from the APA to CMA 1 is removed for each of the possible additional matters. This is consistent with the approach the Co-Chairs have taken across all APA issues. The Co-Chairs recognise Parties hold strong views on a number of the possible additional matters. These differences of view are clearly reflected where texts are presented in square brackets. Recommendations from the APA to CMA 1 (through the Conference of the Parties (COP)) will require Parties to reach agreement on any text to be forwarded.

6. We urge Parties to agree on the procedural way forward on each of these possible additional matters and, in this regard, to consider the following key questions, bearing also in mind linkages with the work of the COP and the subsidiary and constituted bodies:

- (a) With respect to the possible additional matter on initial guidance by the CMA to financial institutions and funds (Green Climate Fund, Global Environment Facility, Least Developed Countries Fund and Special Climate Change Fund) under Article 9, paragraph 8, of the Paris Agreement and decision 1/CP.21, paragraphs 58 and 61–63, what would be sufficient as guidance at this point in time to ensure the Paris Agreement is fully operational?
- (b) With respect to the possible additional matter on guidance by the CMA on the adjustment of existing NDCs under Article 4, paragraph 11, of the Paris Agreement, does anything need to be done now, and what aspects of the matter could more usefully be considered by the CMA later?
- (c) With respect to the possible additional matter on modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5, of the Paris Agreement, can we identify elements of relevant guidance that would be helpful to address Parties’ concerns without necessarily defining “modalities”?
- (d) With respect to the possible additional matter on setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53, we have an agreed end point in decision 1/CP.21, but what needs to be agreed on in terms of a starting point, keeping in mind the overarching need for CMA 1 to take those decisions essential to make the Paris Agreement fully operational?

⁴ The outcome from APA 1.6 for this item is available at <https://unfccc.int/documents/182077>.

7. The textual proposals in chapter B below have been prepared by the APA Co-Chairs under their own responsibility.

B. Textual proposals

I. Initial guidance to the operating entities of the Financial Mechanism

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling Article 9, paragraph 8, and Article 19 of the Paris Agreement,

Taking note of decision 1/CP.21, paragraphs 58 and 61–64,

1. *Confirms* that the Standing Committee on Finance shall serve the Paris Agreement in line with its functions and responsibilities established by the Conference of the Parties;
2. *[Requests* the Standing Committee on Finance to prepare draft guidance for the entities entrusted with the operation of the Financial Mechanism on the policies, programme priorities and eligibility criteria for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its second session (November 2019);
3. *Invites* Parties and observers to submit to the secretariat, annually and in writing 10 weeks prior to each session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, their views and recommendations on the elements to be taken into account by the Standing Committee on Finance in developing the draft guidance for the entities entrusted with the operation of the Financial Mechanism;
4. *Requests* the Standing Committee on Finance, in preparing the draft guidance referred to in paragraph [2] above, to take into consideration the information to be provided by the operating entities of the Financial Mechanism in accordance with Article 9, paragraph 9, of the Paris Agreement and decision 1/CP.21, paragraph 64, previous guidance of the Conference of the Parties to the operating entities of the Financial Mechanism, the *[reference to the draft PAWP outcomes text(s)]* and the views and recommendations of Parties and observers referred to in paragraph [3] above;
5. *Decides* to consider, at its second session, the draft guidance referred to in paragraph [2] above;]

II. Initial guidance to the Least Developed Countries Fund and the Special Climate Change Fund

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling Article 19 of the Paris Agreement,

Recalling also decision 1/CP.21, paragraph 58,

1. *Confirms* that the Least Developed Countries Fund and the Special Climate Change Fund shall serve the Paris Agreement;
2. *[Requests* the Standing Committee on Finance to prepare draft guidance on the Least Developed Countries Fund and the Special Climate Change Fund, as part of draft guidance to the Global Environment Facility, on support for developing country Parties with respect to the implementation of the Paris Agreement for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its second session;

3. *Invites* Parties and observers to submit to the secretariat, annually and in writing 10 weeks prior to each session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, their views and recommendations on the elements to be taken into account by the Standing Committee on Finance in developing the draft guidance on the Least Developed Countries Fund and the Special Climate Change Fund;
4. *Requests* the Standing Committee on Finance, in preparing the draft guidance referred to in paragraph [2] above, to take into consideration decision 1/CP.21, paragraph 64, previous guidance of the Conference of the Parties on the Least Developed Countries Fund and the Special Climate Change Fund, the [reference to the draft PAWP outcomes text(s)] and the views and recommendations of Parties and observers referred to in paragraph [3] above;
5. *Decides* to consider, at its second session, the draft guidance referred to in paragraph [2] above;]

III. Guidance on the adjustment of existing nationally determined contributions in accordance with Article 4, paragraph 11, of the Paris Agreement

*[The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,
Recalling Article 4, paragraph 11, of the Paris Agreement,*

1. *Requests* the Subsidiary Body for Scientific and Technological Advice to prepare draft guidance on adjustment of existing nationally determined contributions in accordance with Article 4, paragraph 11, of the Paris Agreement, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session (2020).]

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

*[The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,
Recalling Articles 3, 4, 9, 10, 11 and 13 of the Paris Agreement,
Recalling also Articles 4 and 11 of the Convention,*

Recalling further decision 1/CP.21, paragraphs 55, 57 and 95, decision 5/CP.20, paragraph 10, and decision 3/CP.19, paragraph 10,

1. *Decides* to establish a registry of the information communicated by developed country Parties in accordance with Article 9, paragraph 5, of the Paris Agreement;
2. *Requests* the secretariat to prepare a synthesis report for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;
3. *Decides* that developed country Parties shall biennially communicate information in accordance with Article 9, paragraph 5, of the Paris Agreement covering the implementation period consistent with the time frames established in decision [X]/CP.24 pursuant to Article 4, paragraph 10, of the Paris Agreement;
4. *Requests* developed country Parties to submit their first biennial communication of indicative support for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its second session;
5. *Decides* to initiate the facilitative multilateral consideration of progress and technical expert review of information provided and reported by developed country Parties and

constituted bodies under the Paris Agreement in accordance with Article 13.9, 13.11 and 13.12, with a view to capturing progress in meeting the financial obligations under the Paris Agreement in accordance with Articles 3 and 9 of the Paris Agreement;]

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

*[The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,
Recalling decision 1/CP.21, paragraph 53,*

Noting the 2018 biennial assessment and overview of climate finance flows of the Standing Committee on Finance [reference to the document with the SCF Biennial assessment],

- 1. Decides to initiate the consideration of the new collective finance goal and to approve it no later than its session to be held in 2023;*
- 2. Requests the Standing Committee on Finance, in accordance with its mandate, to prepare a technical report on the modalities and scenarios for the establishment of the new collective goal, taking into consideration the needs and priorities identified by developing countries, to be presented to the CMA for its consideration, no later than 2020.]*
