APA 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

First Iteration (4 May 2018@23:59 hrs)

This Informal Note has been prepared by the Co-Chairs of the negotiations on this agenda item under their own responsibility, on the basis of the deliberations by Parties at this session and the views they have submitted. This Informal Note is preliminary and should not be considered as final in any way; it is offered as a basis for work and does not prejudge further work or prevent Parties from expressing their views at any time. It is recognized that the outcome of deliberations on this item will form part of the overall outcome under the Paris Agreement Work Programme.

I. Introduction / mandate / purpose

At the second part of the first session of the Ad-hoc Working Group on the Paris Agreement (APA 1.2), Parties identified nine possible additional matters relating to the implementation of the Paris Agreement, which some Parties were of the view are not yet being addressed under the Paris Agreement Work Programme (possible additional matters). Parties noted the list of possible additional matters contained in the annex to the Informal Note¹ issued by the Co-Chairs during the Marrakech Conference and the subsequent amendments to it has no particular status. There was a common understanding among Parties that some of these are mandated issues for the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) to address.

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 the Subsidiary Body for Implementation (SBI), at its forty-seventh session (SBI 47), two of the possible additional matters² that were identified by Parties at APA 1.2.

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 the seven remaining possible additional matters and

¹ The possible additional matters identified by Parties are contained in the annex II to the Informal Note issued by the Co-Chairs during the Marrakech Conference, and available at:

http://unfccc.int/files/meetings/marrakech_nov_2016/in-session/application/ndf/apa_item_8_informal_note_by_co-chairs_v02_ndf

session/application/pdf/apa_item_8_informal_note_by_co-chairs_v02.pdf. ² See paragraph 9 of the report of CMA 1.1 available at:

^{*} See paragraph 9 of the report of CMA 1.1 available at: http://unfccc.int/resource/docs/2016/cma1/eng/03a01.pdf.

recommended a way forward on two more possible additional matters as contained in the report on APA 1.3.³

At the fourth part of the first session of the Ad-hoc Working Group on the Paris Agreement (APA 1.4), Parties continued consideration of the five remaining possible additional matters. The discussions helped in clarifying Parties' views and identifying ways forward for these five remaining possible additional matters, as reflected in our informal note from the session.⁴ APA 1.4 agreed to continue its consideration of the five remaining possible additional matters at its resumed session.

At the Informal Consultations held at the fifth part of the first session of the Ad-hoc Working Group on the Paris Agreement (APA 1.5), Parties have so far discussed the following four possible additional matters:

- 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;
- 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;
- Guidance by the CMA on adjustment of existing Nationally Determined Contributions (NDCs) under Article 4, paragraph 11; and
- Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5.

Discussions on the remaining possible additional matter "Setting a new collective quantified goal on finance in accordance with decision 1/CP.21, paragraph 53" and on sub-item (b) will take place at the final Informal Consultations at this session.

A Note⁵ containing the order for the remaining five possible additional matters to be taken up was posted on the UNFCCC website.

Parties considered probing questions proposed by the Co-Chairs specific to four of the possible additional matters at the first three informal consultations on this sub-item convened on 1 May, 3 May and 4 May 2018. These questions are contained in a Note⁶ published on the UNFCCC website and are outlined in the subsequent section.

Once all five remaining possible additional matters are addressed, the Co-chairs will invite Parties' reactions to the options put forward for these possible additional matters to test whether there is agreement on a way forward.

Parties are invited to provide additional views and suggestions on way forward for possible additional matters.

http://unfccc.int/resource/docs/2017/apa/eng/02.pdf and the Informal Note by the APA Co-Chairs issued during APA 1.3, available at: http://unfccc.int/files/meetings/bonn_may_2017/insession/application/pdf/apa_informal_note_by_the_co-chairs_item_8ab_final_version_2017.05.17.pdf.

⁴ https://unfccc.int/files/meetings/bonn_nov_2017/in-session/application/pdf/apa_8_informal_note.pdf

 $\frac{https://unfccc.int/sites/default/files/resource/Note\%20on\%20order\%20of\%20Possible\%20Additional\%20Matters.pdf$

³ See FCCC/APA/2017/2, paragraphs 29 and 30, available at:

⁶ https://unfccc.int/sites/default/files/resource/Additional%20note%20on%20probing%20questions 0.pdf

II. General elements

• <u>Initial guidance by the CMA to the operating entities of the Financial Mechanism – Green Climate Fund and Global Environment Facility, under Article 9, paragraph 8, of the Paris Agreement, and decision 1/CP.21, paragraphs 58, 61–63.</u>

On the possible additional matter "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", Parties considered the following probing question posed by the Co-Chairs:

Should the APA recommend that the CMA mandate the SCF to prepare draft guidance to the GEF and GCF for transmittal to the CMA in 2019, or at another time, for its consideration and decision?

Parties identified the following options for the way forward:

- Option 1: the APA recommends to the CMA to request the SCF to start developing draft guidance in 2019.*
 - * Some Parties noted this option covers only the initial part of the process for delivering guidance to the operating entities;
- Option 2: the SCF to confirm through an appropriate mechanism that it will prepare the draft guidance;
- Option 3: no mandate is required from the CMA to the SCF, as the SCF already has the mandate (decision 1/CP.21, paragraph 63).
- <u>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.</u>

On the possible additional matter "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," Parties considered the following probing question posed by the Co-Chairs:

 Should the APA recommend that the CMA mandate the SBI or the SCF to prepare draft guidance to the LDCF and SCCF for transmittal to the CMA in 2019, or at another time, for its consideration and decision?

Parties identified the following way forward:

The APA to recommend to the CMA to request the SCF to develop draft guidance to the GEF on the LDCF and SCCF in 2019.

There was a request to expedite work on developing the draft guidance.

• Guidance by the CMA on adjustment of existing Nationally Determined Contributions (NDCs) under Article 4, paragraph 11, of the Paris Agreement

On the possible additional matter "Guidance by the CMA on adjustment of existing Nationally Determined Contributions (NDCs) under Article 4, paragraph 11, of the Paris Agreement", Parties considered the probing questions posed by the Co-Chairs:

- Should the APA recommend that the CMA mandate the subsidiary body(ies) to prepare draft guidance on adjustment of NDCs for transmittal to the CMA at a future session, for its consideration and decision?
- o If so, when should this mandate be issued?

Parties identified the following way forward:

Article 4, paragraph 11, of the Paris Agreement provides sufficient mandate. So, no recommendation from the APA to the CMA is required.

Some Parties expressed the view that the CMA should address this matter in the future, such as at CMA 2 or 3.

 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

With respect to the possible additional matter "Modalities for biennially communicating finance information on the provision of public financial resources to developing countries in accordance with Article 9, paragraph 5," Parties considered the following probing questions posed by the Co-Chairs:

- What, if any, are those specific additional matters concerning Article 9, paragraph 5, that are not being addressed by SBI 48 under agenda item 15, that may require consideration by the CMA?
- o If there are such specific additional matters, what is the appropriate forum for considering them?

The Co-Chairs provided distilled bullet points of their reflections on Parties interventions in the previous informal consultation session. While some Parties found them useful to engage on for providing clarity, other Parties felt that there was a risk of straying beyond the mandate by engaging in them.

Some Parties reconfirmed their view that modalities for communicating finance information under Article 9, paragraph 5, is a critical issue for developing country Parties and fundamental to the Paris Agreement Work Programme outcomes.

Other Parties retained the view that this possible additional matter is not part of the Paris Agreement and finance information would be communicated as required by Article 9, paragraph 5, using established UNFCCC procedures.

A suggestion was made that the secretariat could prepare a technical paper on established processes for communicating ex-ante information on finance.

Some Parties indicated that this round of discussions helped increase the understanding of the concerns. It is the Co-Chairs' understanding that while there was an acknowledgement of the importance of ex-ante information on finance to support implementation of the Paris Agreement, there were different views among Parties as to whether this possible additional matter is included in the Paris Agreement Work Programme outcomes.

A conference room paper was submitted by two groups of Parties on this possible additional matter,⁷ as contained in the annex to this note.

III. Discussion on loss and damage

• An in-session submission⁸ was made by a Party, which 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.

⁷ http://www4.unfccc.int/sites/SubmissionPortal/Documents/201805041538--04052018%20Arab%20Republic%20of%20Egypt%20on%20behalf%20of%20the%20AGN%20and%20the%20L
MDC.pdf

⁸ http://www4.unfccc.int/sites/SubmissionPortal/Documents/201805041544---Subission%20by%20Timor-Leste%20on%20loss%20and%20damage%20under%20the%20APA%20agenda%20item%208.pdf

Annex

Arab Republic of Egypt on behalf of the African Group of Negotiators (AGN) and the Like-Minded Group of Developing Countries (LMDC)

Conference Room Paper

Modality for the Communication of Indicative Support and Reporting:

The African Group and Like-Minded Group presents this CRP to the APA Agenda Item 8 with the purpose of clarifying the following related to the implementation of Article 9.5 of the Paris Agreement. The African Group and Like-Minded Group is of the view that developed country Parties need clear guidance on how to communicate including decision to continue existing communication existing arrangement - strategic and approaches beyond 2020.

The modality proposed by the African Group and Like-Minded Group cover the following procedures:

- 1. Clarifyting the timeframes to be covered;
- 2. Establishing the vehicle to be used;
- 3. What to do with the communications; and
- 4. Consideration of the information contained in the context of the progression in Article 3 and needs in Article 9.3.

For the way forward, the African Group and Like-Minded Group proposes a procedural decision, APA recommending draft procedural decision to continue its deliberations on this matter with a view to presenting a recommendation and adoption to the CMA for its consideration at its first session. The draft recommendation could be initiating the discussion under the CMA.

Draft Decision

The Ad Hoc working group on the Paris Agreement, at its resumed session, recommended the following draft decision for consideration and adoption by the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement

The Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement

Recalling Articles 4 and 11 of the Convention

Based on the mandate contained in Decision 1/CP.21, paragraph 55

Also recalling Decision 5/CP.20, paragraph 10 and Decision 3/CP.19, paragraph 10

Further recalling Articles 3, 4, 9, 10, 11, 13 of the Paris Agreement

Also recalling decisions 1/CP.21 paragraphs 57 and 95

 Decides to establish a registry of information to be communicated by developed country Parties in accordance with Article 9.5 of the Paris Agreement and 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;

- 2. Decides that developed country Parties shall biennially communicate information in accordance with Article 9.5 covering the implementation period consistent with timeframes in decision X/CP.24 pursuant to Article 4.10 of the Paris Agreement;
- 3. 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; and
- 4. 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 of the Agreement in accordance with Article 13.9,13.11, and 13.12 with a view to capture progress in meeting the financial obligations under the Paris Agreement in accordance with Articles 3 and 9.
