

New York, 27 September 2018

Informal consultations on the outcome of COP24 Summary of discussions

Produced by the incoming Polish Presidency of COP 24

The incoming Polish Presidency of the COP24 organized an informal meeting on the level of lead negotiators. The meeting took place in New York on the 27th of September to assist in preparations for the upcoming 24th conference of the Parties to UNFCCC. 33 Parties participated in the consultations. The COP23 Presidency, the UNFCCC Executive Secretary and the Presiding Officers were also present.

The meeting looked at four elements of the potential Katowice outcome: the NDCs process, adaptation, transparency and finance. In order to ensure inclusiveness the Polish incoming Presidency prepared this note under its own authority reflecting the broad lines of the discussion. The note attempts to capture the presented views in a balanced manner but it should not be treated as exhaustive.

The next informal consultations on the level of the lead negotiators will take place in Krakow on 24th of October, after the conclusion of the ministerial pre-COP.

Session 1

How to best structure the overall architecture of the process for NDCs (ICTU, reporting, review, GST)? What type of information is necessary at each stage for the whole system to help us collectively achieve the goals of the Paris Agreement?

Highlights:

 A number of participants highlighted that the Paris Agreement already provides a good basis for the architecture of the process for the NDCs. Some suggested that while NDCs cover mitigation, adaptation, means of implementation and transparency in line with

- article 3 of the PA, each component already has its own separate processes defined by the specific articles of the PA (ICTU and Accounting for mitigation, adaptation communication for adaptation etc.), and that this data feeds into the global stocktake.
- Some highlighted that data provided by the Parties should allow for tracking progress and aggregation of individual actions to help assess where we stand with respect to global action. Others suggested that the ICTU requirements should rather facilitate preparation of the NDC and that the basic scope is already covered by para 27. of the decision 1/CP.21. There were views of whether the ICTU requirements should go beyond those elements contained in paragraph 27 with some suggesting sticking to a minimum list, others that a more exhaustive list would be needed to cover different NDC types as applicable. The specific case of parties participating in cooperative mechanisms under article 6 of the PA was raised, with some arguing there was a need for additional information to be provided in relation to their first NDCs.
- The participants discussed the issue of scope of the NDCs. Some participants underlined that there is no room for expanding the coverage of the article 4 of the Agreement. Others generally called for an adequate and granular recognition of aspects other than mitigation. It was highlighted that there will be guidance for transparency on mitigation, adaptation and support, but that the MPGs section of tracking progress in implementation of NDCs only relates to mitigation.
- Adaptation and support have to be in balance with mitigation, but the views were not uniform as to how and where to achieve this balance. Parties seemed to nod to the fact that adaptation and mitigation have equal status but avenues to ensuring this equal status are not uniform.
- There was discussion of the relationship of the mechanism to facilitate implementation and promote compliance under article 15 of the PA, noting that several questions remained to be resolved, including the relationship with transparency under article 13 and its application to all issues.
- Some participants underscored that flexibility is directly correlated with the notion of the national circumstances and as such is already defined via national determination.
 Others highlighted that additional flexibilities related to scope and frequency of reporting should be provided.
- All agree that differentiation is key to an equitable outcome but many participants underlined that it has already been sufficiently dealt with through different articles in the PA or the notion of national determination of the NDCs. Many participants agreed the system must build confidence we are on track to achieving the goals of the Agreement, individually and collectively, and that progression over time should be encouraged and supported. Rules and guidelines should be applicable to all, in accordance with their capacities.

Session 2

How to best translate the parity between adaptation and mitigation that lies at the heart of Paris Agreement into implementation guidelines and the overall structure of the regime, while recognizing their different nature and ensuring country-driven approach to the adaptation action?

Highlights:

- The participants agreed that adaptation is an essential part which must be fully addressed. Some highlighted that parity means equal importance but not equal treatment as all elements should be addressed according to its nature and in line with the specific provisions of the PA.
- Adaptation provisions must accommodate different national approaches and circumstances. Some said the GST should have all the necessary information to check on adaptation. Some mentioned that we should not aim at prescriptive, limiting guidance, others highlighted the importance of no additional reporting burdens. Some emphasized that there must be a structured approach on how adaptation action is communicated, One option raised would be to launch a work programme in Katowice to develop guidelines and methodologies by 2020 on information and assessing adaptation.
- Several participants emphasized that adaptation focus is not sufficient and the conversation must accommodate for loss and damage, in particular in the enhanced transparency framework and the global stocktake.
- Adaptation finance must find its balance with mitigation finance. Participants highlighted also importance of Adaptation Fund.
- Some participants mentioned that mitigation co-benefits resulting from adaptation actions should be treated consistently with Article 4.

Session 3

What kind of quantitative and qualitative information is needed to facilitate the provision of finance, and what should be the modalities for delivering such information?

Highlights:

- There was a general sense, that ex-ante communications under article 9.5 are an important part of the PAWP. Several participants underlined the importance of specific information, especially including amounts, currency, financing channels, instruments, recipients countries, timetables, as well as technology transfer, capacity building, adaptation and loss and damage. This information should also enhance ambition and possibly allow for better preparation of the NDCs. However, some participants signaled potential problems with that approach, due to the different timeframes and scope of both types of submissions.
- There were participants who stressed that any guidance for ex-ante communications should be general enough to enable participation not only by the traditional donors, but also by all other parties delivering climate finance, therefore it should not be too specific.
- Some participants mentioned the need for a common definition, especially that of climate finance and the "new and additional", as well as the need for common methodologies,

- other than provided by the OECD. The importance of the qualitative ex-ante information was stressed. It could give a clearer and a more accurate picture of incoming finance, compared to strictly quantitative information, which may change over time and is presented only as available.
- There was no consensus on possible modalities, however the current strategies and approaches submissions were mentioned as an example worth considering. The issued which will have to be addressed included the starting date for the new reporting, how the information should be submitted and where it should be held or registered, as well as the possible synthesis report and who would prepare it. UNFCCC was mentioned in this context as an organization able to fulfil such a mandate.
- The accounting modalities under article 9.7 were also mentioned, with a possibility of presenting the ex-ante quantitative information next to the reported ex-post information.
- Uncertainty was expressed about how the existing financial instruments under the Convention and the Kyoto Protocol will develop. In this context, the GCF replenishment was mentioned as a process, which should engage both donors and recipients.

Session 4

How do we manage the transition from the current transparency system to a future one, while ensuring flexibility for the countries in light of their capacities?

Highlights:

- Some participants highlighted that an enhanced transparency framework covering mitigation, adaptation and support is one of the key elements of the overall Paris Agreement structure, that will inform GST and will allow us to aggregate efforts in reaching the global goal.
- Some participants suggested that the submission date of the first biennial transparency report should be the same for all Parties (e.g. 2022, or 2023), while others proposed to have different submission dates for developed Parties (e.g. 2022, 2023) and developing Parties (e.g. 2024, 2025, or without specific submission date) to properly reflect the timing implied to complete reporting under the current transparency rules in line with paragraph 98 of decision 1/CP.21.
- All agreed that capacity building activities focused on transparency are key to an efficient transition between the systems for developing country Parties. A number of participants highlighted the role of CBIT, but some suggested that increase of efficiency of this initiative is needed and some procedural simplification would be helpful. Others suggested that involvement of other bodies as CGE, GEF, PCCB is also needed. Some suggested that preparation of reports and in country reviews are also a great opportunity to build the national capacity.
- While discussing the concept of flexibilities for developing Parties many different opinions were shared. It was suggested that provisions on flexibilities should have a general character and they should be determined only by national circumstances and capacities of each developing Party. Those flexibilities should not be limited by any

transitory period or any requirement in MPGs. Some pointed out that flexibilities should be very specific and should be limited only to a small number of issues. In such a context flexibility could be used only by developing countries, if needed, in light of their capacities, and only for a limited period of time. Also some explanation regarding the use of flexibility should be provided in a report.

- A number of participants highlighted that existing methodologies like IPCC 2006 guidelines already have built-in flexibilities (e.g. tiers system) that would allow all Parties to provide national inventory reports, including where emissions categories are not applicable, but some additional flexibilities might also be introduced directly in MPGs (e.g. key categories thresholds, level of details for some sectors). Participants also pointed out that flexibilities regarding frequency of reporting for LDCs and SIDS were already included in Paris Agreement.
- During the discussion regarding the scope of superseeding of the existing transparency system some participants highlighted that only BR, BUR, IAR and ICA are to be superseeded and that all existing reporting requirement under Convention should stay as they are. Others suggested that to avoid duplication of reporting of the same data all existing reporting requirements should be streamlined into enhanced transparency framework, but the frequency of the reporting and scope of reported data should be kept due to the "no backsliding" principle.