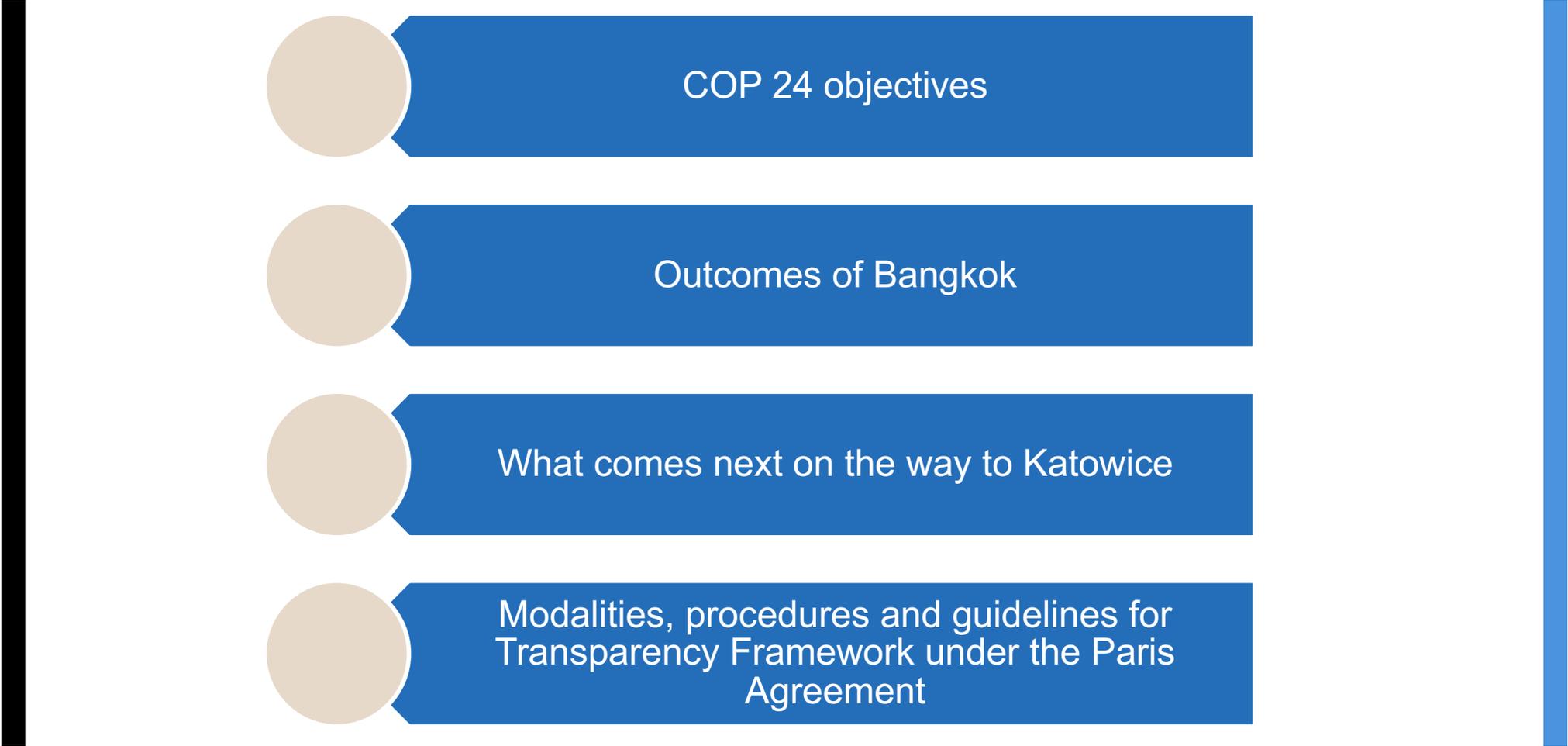


Negotiations on the Paris Agreement Work Programme (PAWP) with focus on Transparency MPGs

The road to Katowice



This presentation will address...



COP 24 objectives

Outcomes of Bangkok

What comes next on the way to Katowice

Modalities, procedures and guidelines for
Transparency Framework under the Paris
Agreement



Objectives for COP 24 (1)

Objectives in relation to PAWP

- **Main COP24 objective:** adoption of the implementation on guidelines of the Paris Agreement in accordance with the Paris Agreement Workprogramme (PAWP)
- **The implementation guidelines are needed**
 - To make the Paris Agreement work fairly and transparently and its institutions fully operational beyond COP24
 - To complete its operational aspects and to unlock practical actions on the ground
- **The guidelines are also needed**
 - To enable everyone to see how the agreement is being implemented by each individual country and hence to build mutual trust and confidence and to promote effective implementation
 - To provide clear understanding on climate change action, including clarity on progress towards achieving Parties' individually NDC
 - To provide clarity on support provided and received, to the extent possible, and provide a full overview of aggregate private and public financial support provided
 - To inform the GST under Article 14 to bring clarity on the process for determining whether the world as a whole is on track to achieve the Paris Agreement goals, including limiting global temperature increase to well below 2C, while pursuing efforts to limit the increase to 1.5C.



Objectives for COP 24 (2)

Objectives in relation to implementation, climate ambition and finance

- Delivery on the **ongoing implementation of the Convention** on mitigation, adaptation, finance, technology and capacity building support
- Delivery under the political phase of the **Talanoa Dialogue**, which has sparked a series of constructive, solutions-oriented conversations around the globe in 2018
 - The wrap-up of the technical phase will take place during the first week of COP24 and include a space for considering the implications of the Special Report by the IPCC on global warming of 1.5°C.
 - The political phase will follow with the objective of taking stock of the collective efforts of Parties in relation to progress towards the long-term goal of the Paris Agreement and inform the next NDCs
 - Ministers will engage in a conversation to find solutions for raising the level of ambition with respect to climate action.
- There will also be a **stock-take of climate action before 2020**
 - Action before 2020 is vital as it lays the foundation for more ambitious action further on.
- **High level ministerial event on climate finance** – a topic that is of key importance to developing countries; consider third biennial assessment of financial flows
- **Global Climate Action** will also host a high-level event with the aim to strengthen the cooperation between governments, cities, regions, businesses and investors for the good of people and the climate.



Paris Agreement Work Programme at a glance

COP:

- Institutional arrangements on capacity-building (PCCB)

Work programme,

to be completed by end 2018

- NDC registry (Art.4.12)
- Adaptation registry (Art.7.12)
- Scope/modalities for technology mechanism assessment
- Common timeframes (Art.4.10)

★ **Enhancing education, training, public awareness, participation and access to information (Art.12) – agreed in May.2018**

- Identification of the information to be provided by Parties in accordance with Art.9.5
- Response measures
- Report of the Adaptation Committee / LDC matters

SBI & SBSTA

- some items in SBI are linked -

- some items in APA are linked -

- Further guidance for mitigation section of 1/CP.21
- Adaptation comms
- Transparency
- Global stocktake
- Implementation / compliance
- Adaptation Fund
- Possible additional matters

Dependencies across bodies:
interlinkages...
coherence...
balance...
timing...

SBI

SBSTA

- Technology Framework (Art.10.4)
- Cooperative approaches (Art.6.2)
- Rules, modalities, procedures for the mechanism (Art. 6.4)
- Framework for non-market approaches (Art. 6.8)
- Modalities for accounting for public finance (Art. 9.7)

★ **Advice from IPCC (done in 2016)**

- Response measures
- Report of the Adaptation Committee

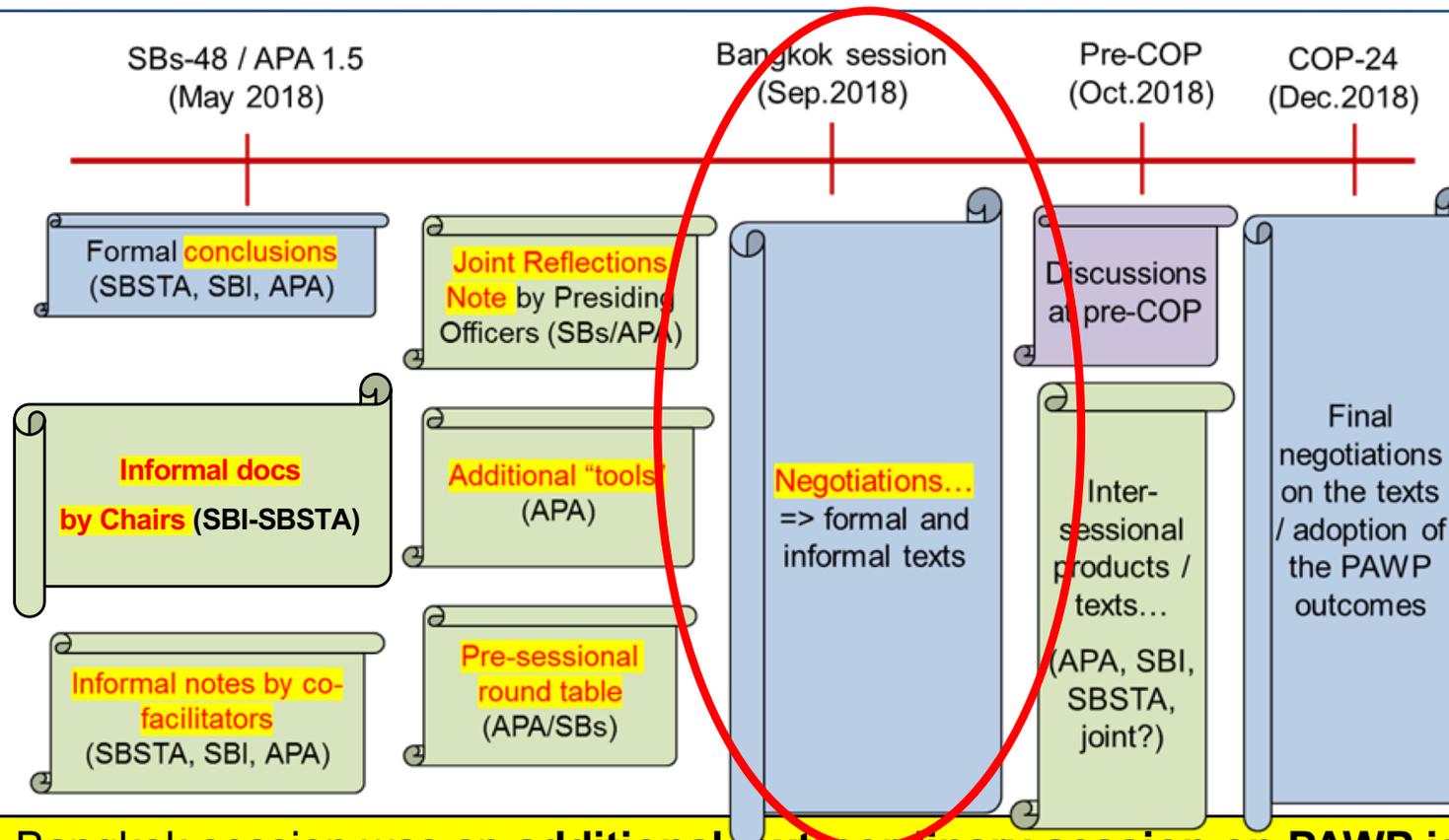
SBI & SBSTA

- some items in SBSTA are linked -

Inputs from constituted bodies:

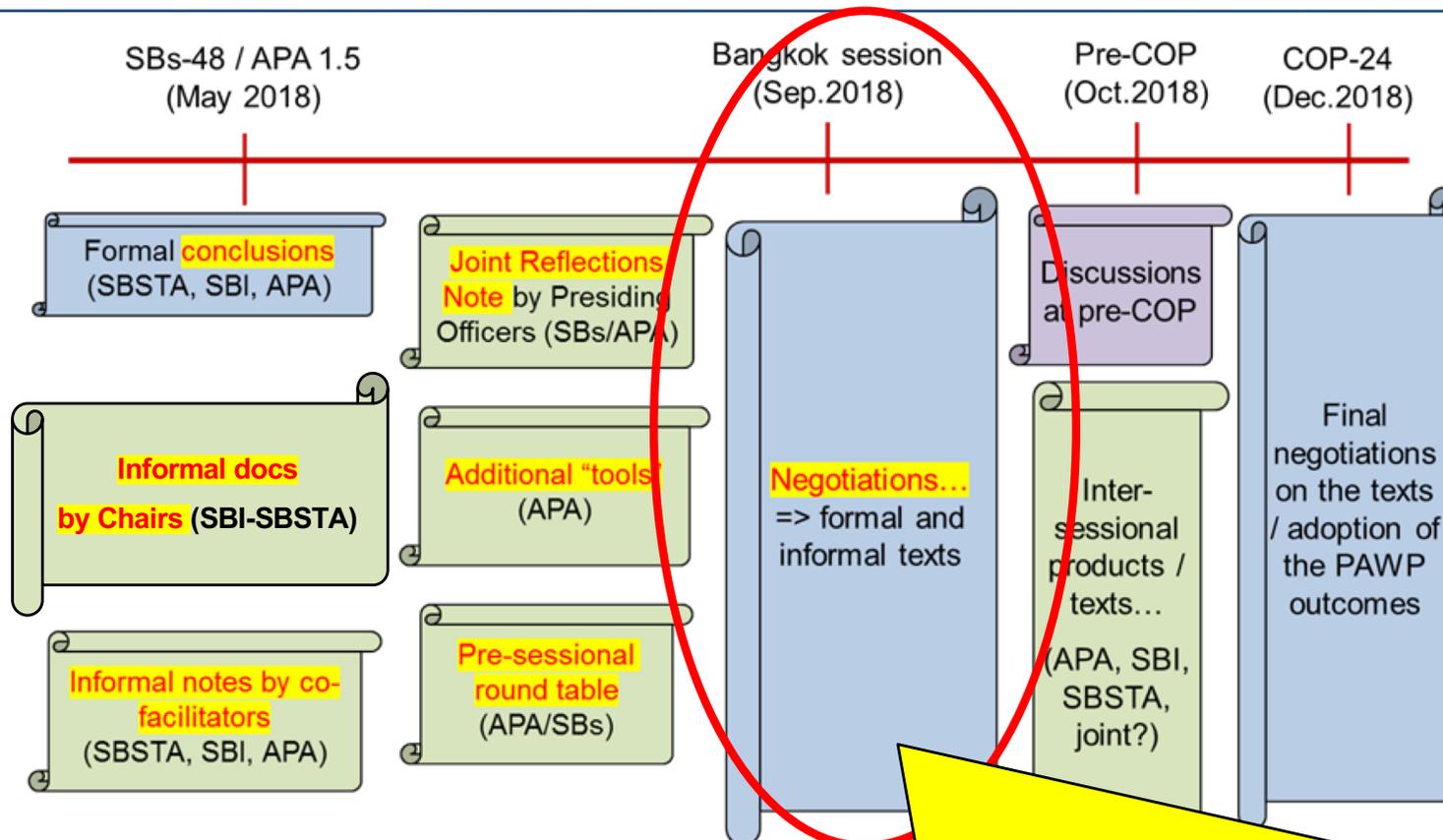
- Adaptation committee (AC)
- Least Developed Countries Expert Group (LEG)
- Standing Committee on Finance (SCF)
- Executive Committee of the Warsaw International Mechanism for Loss and Damage (WIM ExCom)

The Bangkok session: objectives and proceedings



- The Bangkok session was an **additional, extraordinary session on PAWP issues only**
- The **objective** was to bring all PAWP issues to a level of maturity that would be adequate for a basis for negotiation and that would make it possible to complete the PAWP in Katowice with a tangible, ambitious outcome allowing full operationalization of the Paris Agreement
- **Parties worked hard** in Bangkok (no statements!) But was the objective achieved? **Yes/No:**
 - Almost all texts have advanced (~300 pages!); readiness for Katowice has increased
 - But none of the texts has been finalized and fully agreed
 - For some (few) items progress was limited reflecting broader political challenges

The Bangkok session: what has been achieved

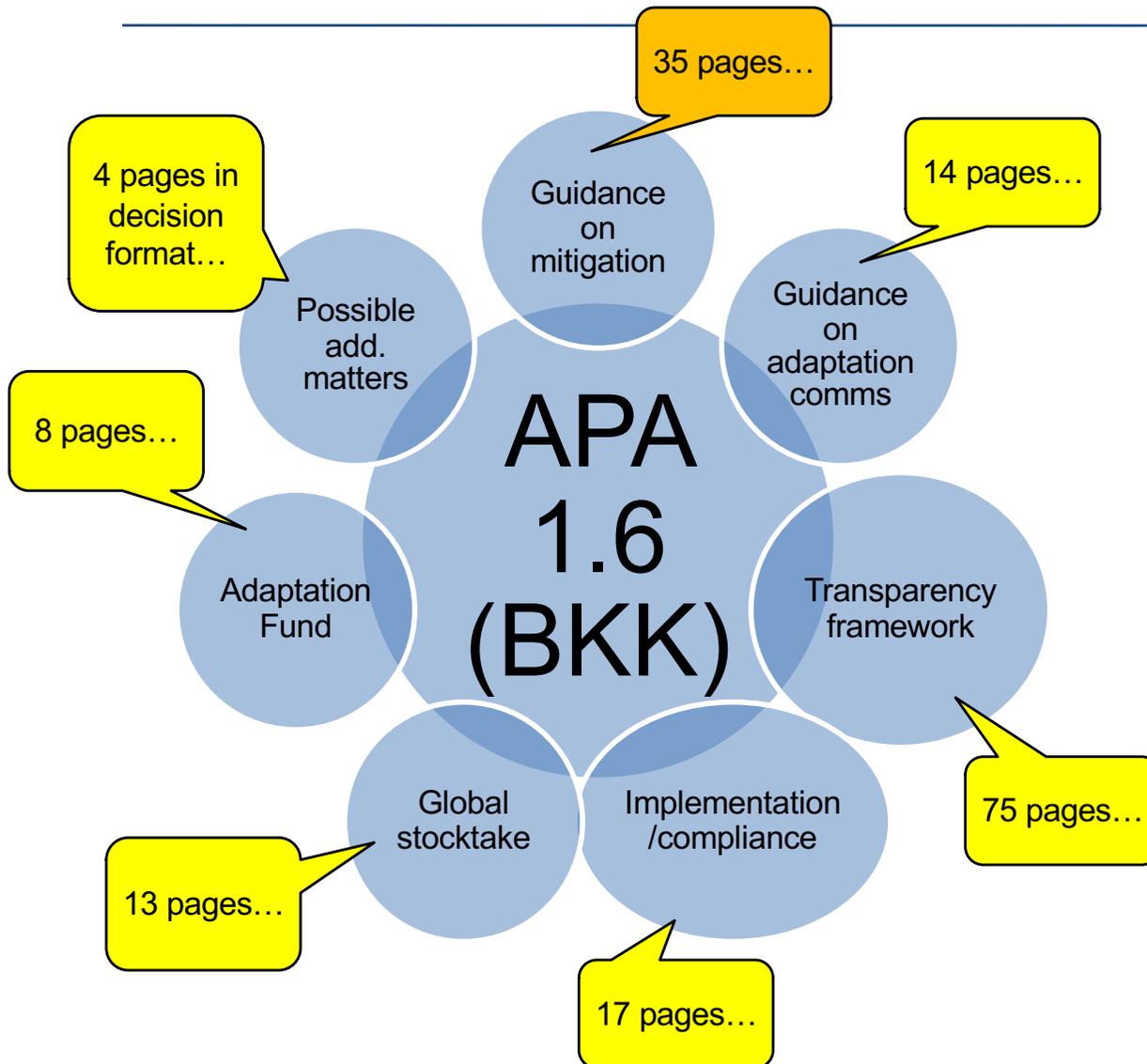


Bangkok outcome as a basis for negotiation

Follow-up work mandated in Bangkok:

- A joint reflections note by the Presiding Officers of the APA, SBSTA and SBI
- The note can contain "textual proposals" to help moving the negotiations forward
- The note to be published by mid-October, before the major "pre-COP" meeting
- This will help – and success in Katowice is feasible; but much remains to be done...

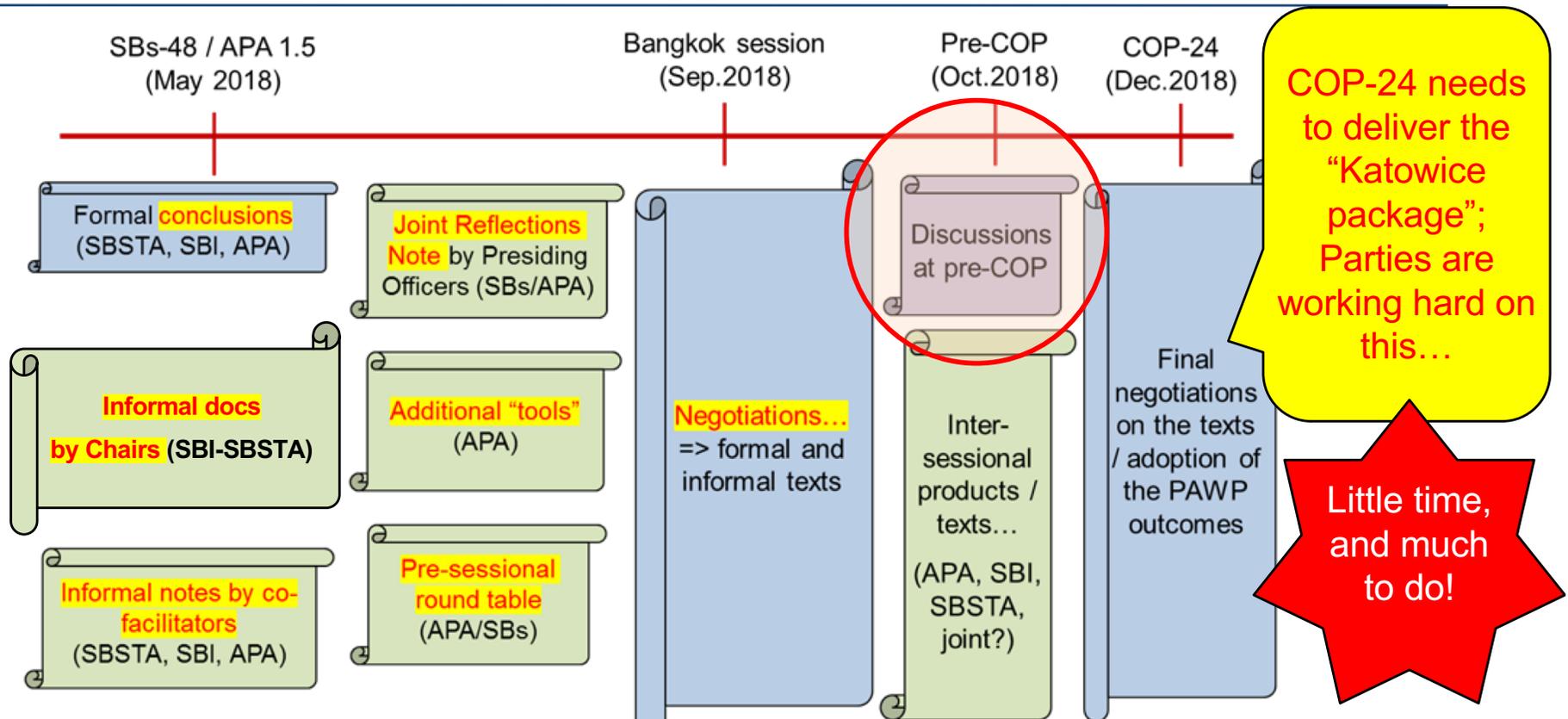
APA highlights, including transparency MPGs



- Overall: good progress
- Texts are clearer and closer to decision-type language
- Still too many options – not conducive to final decision-making in Katowice
- Guidance on mitigation did not produce a new/revised text in Bangkok – needs attention!
- The APA Co-Chairs have a mandate to develop “textual proposals” to help Parties – this is an important mandate



From Bangkok to Katowice



- Building on the Bangkok outcome, the Presiding Officers will prepare a joint reflections note identifying ways forward, including textual proposals before the pre-COP (end of October)
- The pre-COP (21–24 October) is of particular importance; it is the last and most important opportunity to explore before the COP, with key negotiators at a senior level and in an appropriate setting what needs to be addressed, and, most importantly, how – for both PAWP and non-PAWP issues (balance is of major importance)
- The negotiations time at COP-24 will be very limited; it will be critical to work diligently and with a focus on delivery. **PAWP is doable!**

Lessons from 20 years of experience with technical reviews

- ... and recently with **IAR** that focuses on emissions targets and support
- **Technical review as a key for mutual learning and steady improvements**
 - The reviews provides “peer review” / “free consultancy” to the Party and thus an opportunity for the Party and review experts to share their knowledge and challenges and learn from each other, example, histosols for GHG inventory
 - After certain point of time improvements for GHG inventory are minor and reviews might be necessary to maintain the national systems
 - Effort/resources to review submissions by small economies, e.g. Monaco
- **Multilateral assessment:** peer-review and visibility on progress towards targets
- **Compliance system under KP** facilitates development of robust national GHG system and ensuring that ERT recommendations are duly considered by a Party
- **Lead Reviewers meetings** provide the forum for sharing good practices/challenges and review approaches by the report compilers and reviewers
 - Help to build collective knowledge and understanding on reporting and substantive aspects reflected in the GHG inventory reports, NCs and BRs
 - Helps to enhance quality of reporting and consistency of reviews over time
- **Training** provides for common understanding, knowledge and consistency of approaches, capturing best practice examples and presenting them as models;



Lessons from developing countries reporting and ICA

- **Reporting in the NC has a long history, but the ICA process is young...**
- **CGE continuously** contribute to capacity building on reporting in NCs and BURs by developing countries and GEF provides financial support
- **Training:** numerous training courses being offered to Parties and technical experts
- Yet , not that many Parties submitted NCs and BURs in the last years
 - Between 2015 and mid-2018, 88 developing countries have submitted BUR/NC
 - Altogether, 62 BURs have been received, 44 Parties submitted both BUR1 and BUR2; a few LDCs and SIDS also submitted BUR;
 - 66 developing countries did not make any submission since 2015
- **Scope of BURs and technical analysis:** GHG inventories, mitigation actions, support received and needs of FTC, REDD+ results are reported as BUR annex
- **Peer review of national GHG inventories** have been conducted for a few regions among developing countries, to promote learning and South-South cooperation
- **NCs and BURs have become a vehicle** for developing countries to highlight their achievements in climate actions and capacity building needs, and action on NDCs
- Many developing countries have **already established or are in the process of developing domestic MRV system to collect data and track progress**, and to **synchronize domestic and international reporting** under the Convention and the



Lessons... what about REDD+ technical assessment

- Since the agreement of the Warsaw Framework on REDD+, developing countries have submitted 38 proposed FREL/FRL for technical assessment, covering between **65 and 70 percent of all forest in developing countries**
- The process of developing and the subsequent technical assessment process of countries' FREL/FRL have **greatly increased the understanding and knowledge of forests and forest related emissions and removals in developing countries**
- Four countries have also submitted REDD+ results for technical analysis totaling more than **6 billion tonnes** of CO₂e in emission reductions
- These processes have **increased knowledge and transparency about national forest resources**, which is a very useful starting point both for REDD+ and the contribution of forest to the SDGs
- The progress in REDD+ MRV and the associated National Forest Monitoring Systems suggest a **transformation in national forest monitoring capacity**, which is enabling forest data collection, analysis, and generation of national maps and statistics like never before
- <http://sdg.iisd.org/commentary/guest-articles/progress-on-national-forest-monitoring-systems-for-redd-a-win-win-for-forests-and-climate-action/>



Key questions on transparency MPG for Bangkok

- Conceptual clarity needs improvement, specifically on
 - Information on tracking progress made in implementing and achieving NDCs under Article 4 (e.g. whether reporting on the NDCs should simply refer to NDC ICTU, or be self-standing)
 - The relationship between information on climate change impacts and adaptation under Article 7, as appropriate under APA item 5, and adaptation communications under APA item 4
 - Information on support provided and mobilized, as well as support needed and received, and how SBSTA work on accounting on financial support provided should feed into the draft MPG text
- Provision of flexibility to those developing country Parties that need it in the light of their capacities: how to find the best approach to reflect flexibility in the MPGs
- Implications of decision 1/CP.21, paragraph 98, in determining how the MPGs can build upon and eventually supersede the Cancun MRV system (decision 1/CP.16, paragraphs 40–47 and 60–64, and decision 2/CP.17, paragraphs 12–62)
 - Consistently with decision 1/CP.21, this will need to occur immediately following the submission of the final BRs and BURs



Outline of the transparency MPG

Headings and sub-headings for each of the MPGs are now stable

- Overarching considerations and guiding principles
- National inventory report on anthropogenic emissions by sources and removals by sinks of greenhouse
- Information necessary to track progress made in implementing and achieving its NDCs under Article 4 of the Paris Agreement
- Information related to climate change impacts and adaptation under Article 7 of the Paris Agreement
- Information on financial, technology development and transfer and capacity-building support provided and mobilized under Articles 9–11 of the Paris Agreement
- Information on financial, technology transfer and capacity-building support needed and received under Articles 9–11 of the Paris Agreement
- Technical expert review
- Facilitative multilateral consideration of progress



Outline of the transparency MPG and key challenges

Broadly consistent structure of subheadings

- Objective and principles
- National circumstances and institutional arrangements, and so on...
- Yet, some options remain on the structure: e.g. to have objectives and principles in each section or as a cross-cutting issue

The key challenge for each of these substantive areas/headings is on how to:

- **Build the substantive provisions capitalizing on the experience** with the existing MRV processes, and
- **Reflect flexibility in a balanced and dynamic way**, taking into account different starting points and different pace of progress but also provide a tailored answer under relevant substantive areas/headings on the following questions:
 - To whom flexibility applies;
 - What kind of flexibility is needed, e.g. scope of reporting and technical review and/or timing of submission, and;
 - How to ensure continuous improvement in reporting over time taking into account evolution of the national circumstances and the nature of MPGs



Options to make transparency framework operational

- Options are taken from the section on GHG inventory, but similar options apply to other sections
 - Option 1: All Parties continue with current UNFCCC monitoring, reporting and verification (MRV) requirements to fulfil Article 13 obligations.
 - Option 2: All Parties continue with current UNFCCC MRV requirements as a starting point, and move to option 4 (*this is the option that is elaborated in length in the draft text/tool*) at a later point in time.
 - Option 3: Those provisions in option 4 (*this is the option that is elaborated in length in the draft text/tool*) that apply to “developed country Parties” and “developing country Parties” should be placed under separate headings within separate documents. Further, certain provisions in option 4 that apply to each Party will be placed under both sections
 - Option 4: full text with further options on specific provisions
- Need **clarity on transitional arrangements** to avoid duplication in reporting and review of same/similar information using different formats, NC/BR lesson
 - Dates of submission of the past BR/BUR and the first TERR
- **Support:** role of CBIT and financial (GEF guidance) and technical (role of CGE) support



Reporting issues (1)

GHG inventory report

- Comprehensive draft text that encompasses all necessary elements with relevant options
- Key question is which provisions could be applied for all Parties and where and how flexibility for SIDS, LDCs and other developing countries that need it could be applied
- Which IPCC guidelines and which methods and tiers;
- How to apply key categories analysis and time series recalculation and consistency
- Assessment of uncertainty, completeness QA/QC
- Which IPCC metrics apply

Tracking progress

- Some level of convergence around key concepts and approaches, but this is yet to be reflected in the text
- More clarity needed on the role of GHG inventory, projections and various indicators, e.g. carbon intensity of economy or energy supply
- What are the minimum requirements that can help to ensure good understanding of NDCs and tracking their progress, common and specific



Reporting issues (2)

Reporting on adaptation

- Comprehensive draft text that contains a range of options for reporting on i.a. national circumstances, vulnerabilities, adaptation efforts, progress on adaptation, loss and damage, information relating to support, and monitoring and evaluation of adaptation.
- Key questions related to the “design” of the reporting arrangements:
 - What is the relationship between the adaptation communication (Article 7.10 and 7.11 of the Paris Agreement) and reporting under Article 13.8? (currently significant overlaps in the texts)
 - How should reporting on adaptation relate to existing processes, in particular UNFCCC national communications, NDCs, and NAPs?
- Key substantive issues:
 - Reporting information related to loss and damage
 - Consideration of mitigation co-benefits of adaptation efforts under Article 13.7 (b)
 - Reporting on issues related to support for adaptation



Reporting issues (3)

Financial resources provided and mobilized through public interventions

- On **assumptions, definitions and methodologies**
 - Emerging convergence on the need for transparent reporting thereof, including on status, channels, areas of support, e.g. adaptation, mitigation, cross-cutting and [loss and damage], sectors and subsectors, support for capacity building and technology, finance mobilized amounts disbursed to each beneficiary country
 - The option on information on common definitions and methodologies remains under consideration
- On **financial support provided and mobilized**
 - Detailed requirements under three headings
 - Bilateral, regional and other channels
 - Multilateral channels
 - Finance mobilized through public finance
- Voluntary reporting by other than developed Parties that provide financial support



Issues relating to technical expert reviews (1)

Based on the outcome from the Bangkok there are 5 types of reviews

- Desk, centralized and in-country review
- Simplified review (that mainly involves a check by the secretariat in terms of completeness and timeliness)
- Group review (for several countries from the same region or with similar circumstances, applicable only to developing countries)

Scope of reviews

- What: cover the information report by a Party in accordance with reporting requirements and does not cover certain issues, e.g. adequacy of Party's domestic action
 - How:
 - Assessment of reporting requirements, e.g. transparency, completeness, consistency, accuracy and timeliness of GHG inventory
 - Consideration/ Assessment of progress in NDCs, support provided
 - Identification of areas for improvements for a Party
 - Assistance in identification of capacity building needs
 - Single requirements with build in flexibility or bifurcated requirements
-



Issues relating to technical expert reviews (2)

A number of areas where there are only a few outstanding issues:

- Confidentiality
- Role of the secretariat, Party, and TER and relevant institutional arrangements
- Lead reviewers and their annual meeting

Need further discussion on the following:

- **Timing and frequency** in relation to the format of reviews
- **How each type of review will be applied**, and to which countries the specific type of review applies, e.g.
 - How to apply flexibility to LDCs, SIDS and other developing countries that need it in view of their capacity and
 - Threshold for GHG emissions for countries that undergo a simplified/ desk/ centralized review)
- **How each type of review will be linked to the type of reports** (e.g. if GHG inventory report is a separate report, will a simplified/ desk review be sufficient)
- Resource implications for the choice of the format of review



Facilitative multilateral consultative process (FMCP)

A number of areas where there are only a few outstanding issues

- Information to be considered: Party submissions, TERR and any additional information by Party
- Formats and steps
- Summary reports

Need further discussion on the following

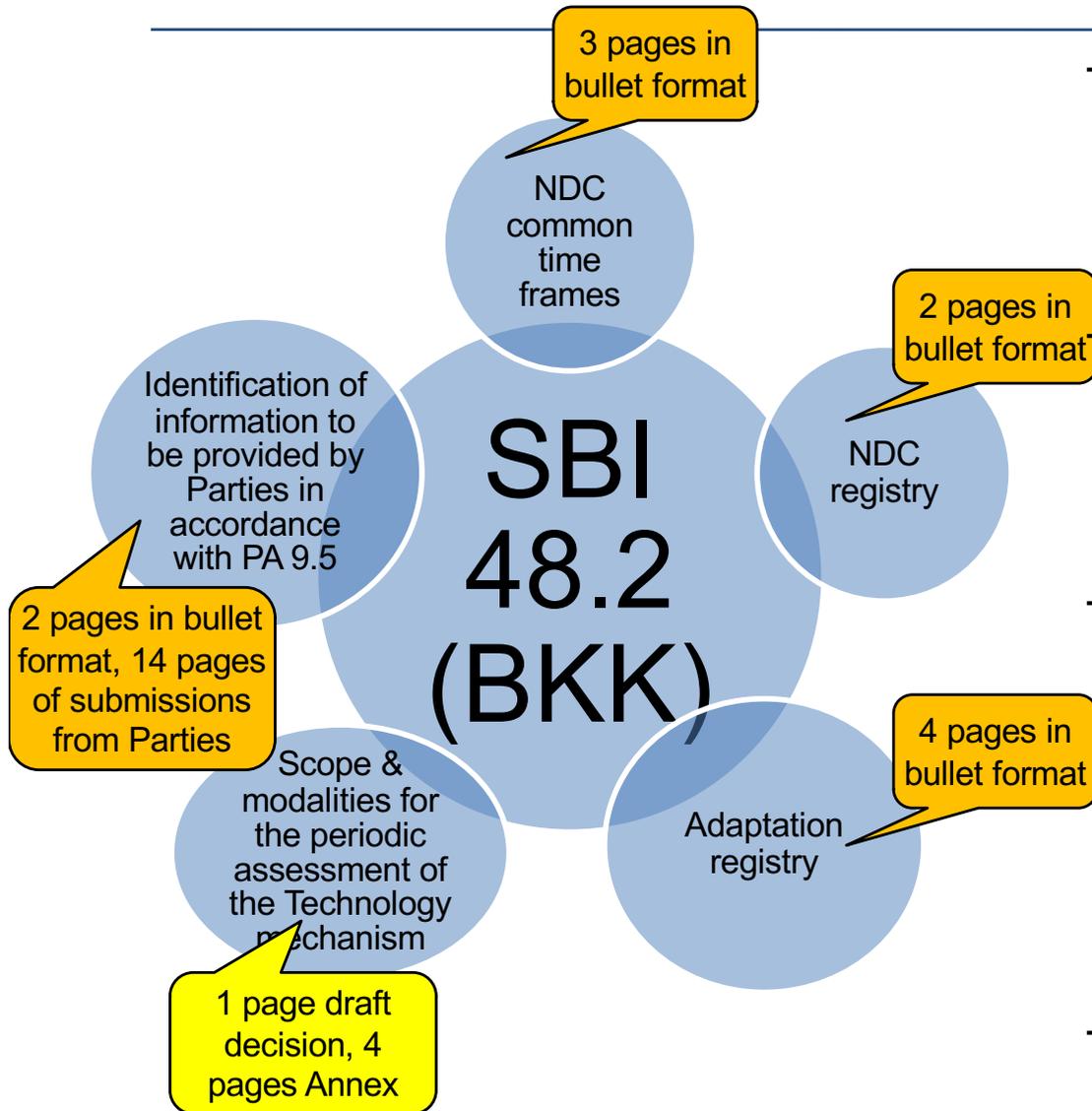
- **Scope:** narrow approach covering Article 4 NDCs and finance under Article 9, or other areas in accordance with reporting requirements
- **Frequency and timing**
 - Follow the biennial transparency report (BTR) cycle and be organized every 2 years, or
 - Follow the NDC cycle or the GST cycle, that is done every 5 years or coincide with the NDC cycle
- **How to apply flexibility**, e.g. limit FMCP to online Q&A only
- There is also the resource implications here



ADDITIONAL SLIDES



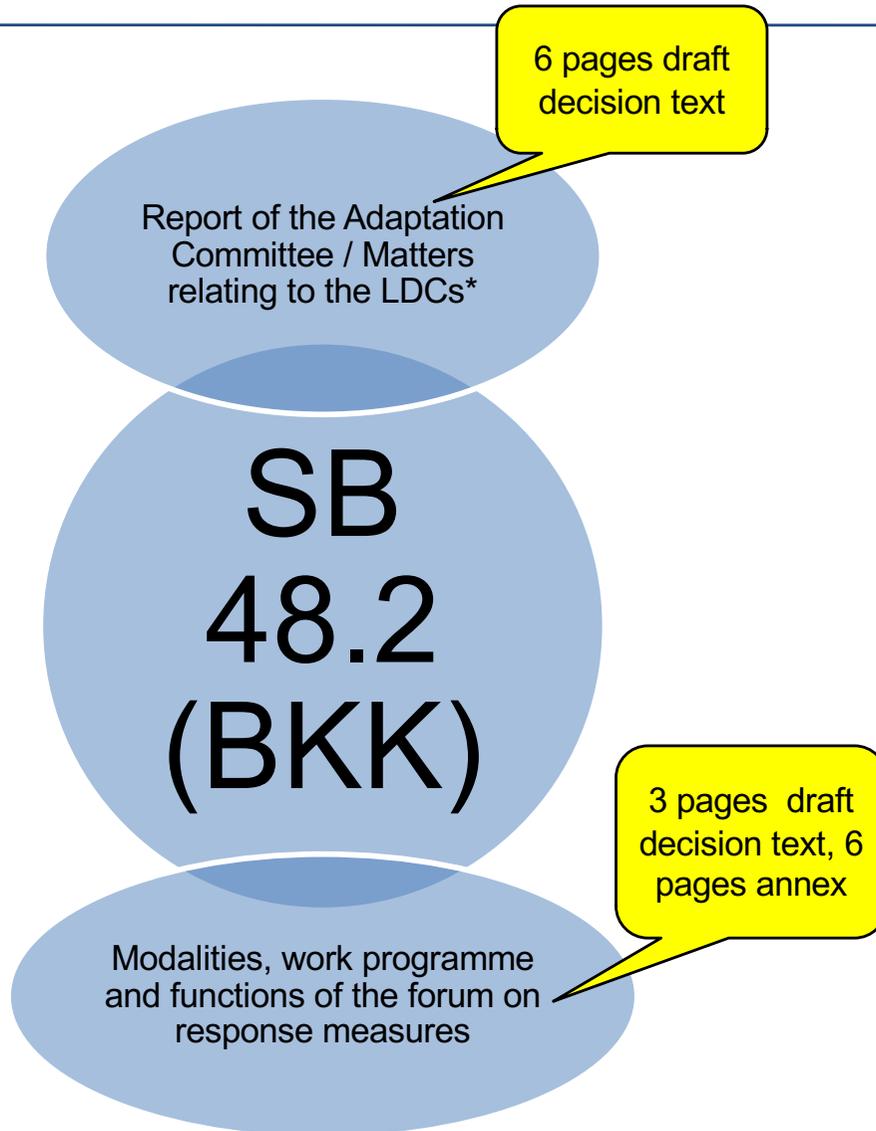
SBI highlights:



- Overall good progress, but fundamental political issues remained unresolved, e.g. one registry or two registries
- Agreed basis for negotiations, and in most cases this basis reflects clear and streamlined options
- On the scope/modalities for technology mechanism assessment: draft decision text contains clear and streamlined options, Parties are engaged in exploring middle grounds
- Mandate for the SBI Chair to prepare textual proposals



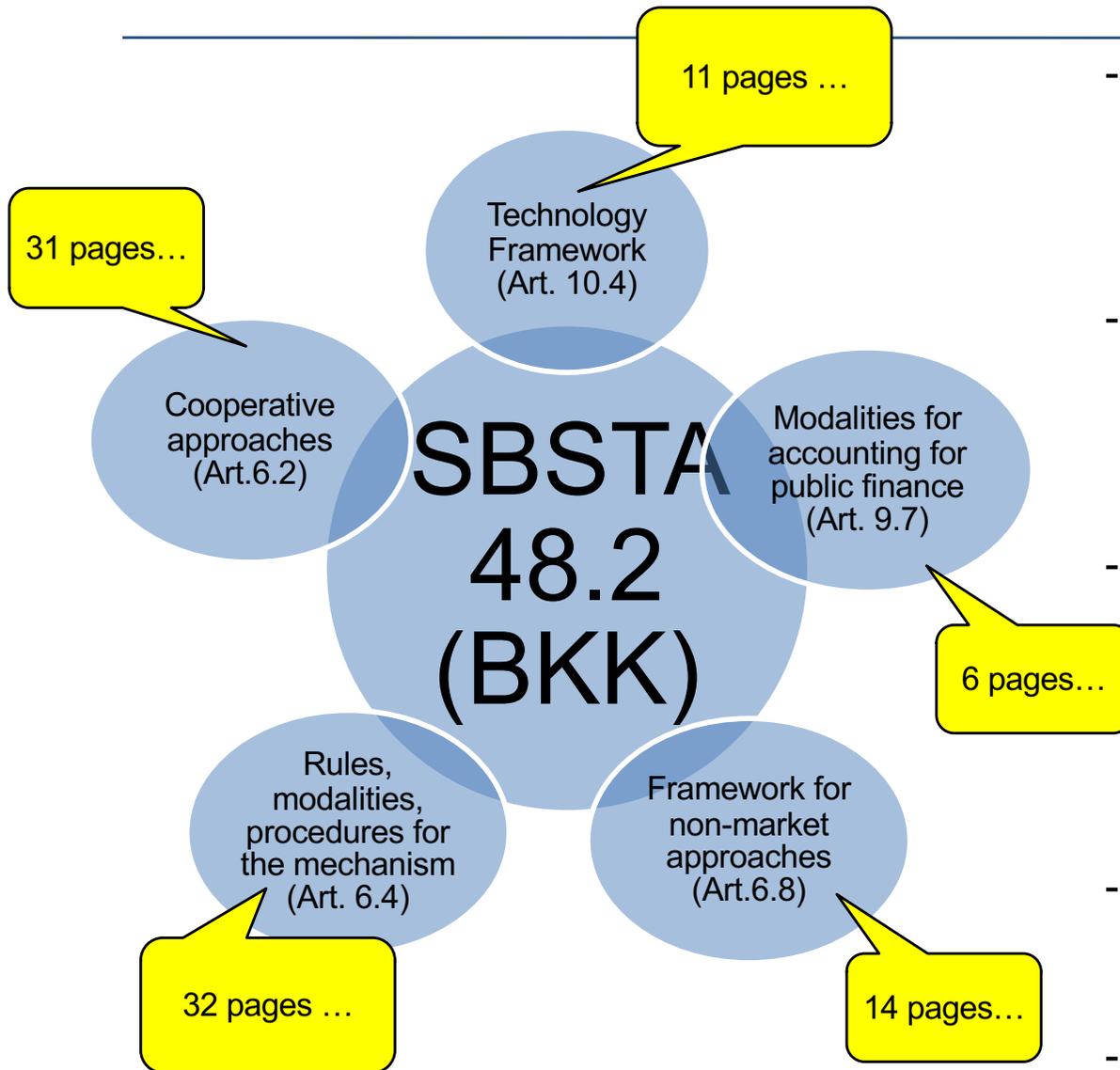
Joint SBI/SBSTA highlights:



- Good progress, Parties-owned outcome
- Some key political and/or complex issues remain, e.g. trade under response measures and recognition of adaptation efforts
- Draft decision texts and annex in the case of response measures with clear and streamlined options. Parties are engaged in exploring middle grounds
- Mandate for the SBI and SBSTA Chairs to prepare textual proposals



SBSTA highlights:



- Overall very good progress, Party-owned texts, agreed basis for negotiations ...but still lots to do ...
- On Art.6: excellent session with good mood, constructive groups, everyone worked hard to advance
- On Art.9.7: most advanced finance issue, yet some Parties see a need for a better balance with other issues...
- On Art. 10.4: very productive session for technology negotiators...
- Mandate for the SBSTA Chair to prepare textual proposals ...

