

## What to expect at the Fiji COP ?

Bonn, 6 Nov. (Meena Raman) - The annual climate change talks under the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol (KP) and the Paris Agreement (PA) are taking place in Bonn, Germany from Nov. 6 to 17, 2017.

The talks will be presided over by the Government of Fiji, with its Prime Minister, Frank Bainimarama at the helm.

The two-week talks will see the convening of the 23<sup>rd</sup> meeting of the Conference of Parties to the UNFCCC (COP 23), the 13<sup>th</sup> meeting of the Parties to the KP (CMP 13), the 2<sup>nd</sup> part of the 1st meeting of the PA (CMA 1.2), as well as the meeting of the subsidiary bodies of the Convention - the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice, as well as the Ad Hoc Working Group on the PA (APA).

(The tasks related to the implementation of the PA is being undertaken by the APA as well as the various subsidiary and thematic bodies of the Convention and this work as a whole is referred to as the implementation of the Paris Work Programme).

### Weather events and calamities

The UN talks are taking place against the backdrop of several recent significant weather related disasters and calamities with no continent being spared.

Asia experienced devastating monsoons and floods while Africa was ravaged by droughts, landslides and floods. The Americas suffered the brunt of hurricanes, cyclones, floods and forest fires whereas Europe sweltered under heatwaves and faced droughts, floods and storms.

Early in the year, new data released from the U.K Met Office, the US National Aeronautics and Space Administration (NASA) and the US National Oceanic and Atmospheric Administration (NOAA) showed

that the Earth's temperature has now risen about 1.1C above the levels seen before the industrial revolution.

This comes dangerously close to the 1.5C limit of temperature rise which Parties under the PA said they would pursue, while agreeing to hold the increase in temperature level to well below 2C above pre-industrial levels.

In April 18, news broke that the world breached yet another climate change milestone, as atmospheric CO2 levels hit 410 parts per million (ppm) for the first time in human history in the Mauna Loa observatory in Hawaii. In 1958, the level was 280 ppm, while in 2013, it passed 400 ppm. 450 ppm is commonly viewed among the scientific community as the danger level at which there is only a 50% chance of keeping global temperature rise to 2C.

Given this backdrop, it can be expected that there will be more calls for all Parties to act with urgency, in showing greater mitigation ambition.

According to the latest 'Emissions Gap Report' by the United Nations Environment Programme, the contributions by Parties under the PA known as their 'nationally determined contributions (NDCs), "cover only approximately one third of the emissions reductions needed to be on a least cost pathway for the goal of staying well below 2°C."

The Report goes on to state that "the gap between the reductions needed and the national pledges made in Paris is alarmingly high. Looking beyond 2030, it is clear that if the emissions gap is not closed by 2030, it is extremely unlikely that the goal of holding global warming to well below 2°C can still be reached. Even if the current NDCs are fully implemented, the carbon budget for limiting global warming to below 2°C will be about 80 percent depleted by 2030. Given currently available carbon budget estimates, the available global carbon budget for 1.5°C will already be well depleted by 2030."

The NDCs under the PA are expected to be implemented from 2021 onwards, with a large number of contributions covering a 10- year period until 2030.

Hence, the issue of the mitigation ambition gap and how this is to be closed and by whom and within what time-frame can be expected to feature prominently in the halls of the Conference Centre.

### **Focus on pre- 2020 actions**

Developing countries can be expected to put the spotlight on developed countries who will be viewed as not taking the lead in showing greater ambition both in terms of emissions reductions and in providing the necessary finance for developing countries to act in the pre-2020-time frame.

There has been a growing concern among developing countries that existing obligations under the Convention and the Kyoto Protocol are not being met to close the mitigation ambition gap, with developed countries shifting their focus and responsibilities to developing countries for their post-2020 actions under the PA.

Questions can be expected to be raised as on why the Doha Amendment to the KP has yet to be ratified by many developed countries, including those from the European Union. The Doha Amendment is supposed to give effect to the 2<sup>nd</sup> commitment of the KP (2CP) for emissions reductions by developed countries for the period 2013-2020.

Parties had agreed in 2012 in Doha, to amend the KP to incorporate the 2CP where developed countries who are Parties to the KP will undertake aggregate emission cuts that would be at least 18 per cent below 1990 levels.

They also agreed that developed countries will revisit their emission reduction commitments by the end of 2014, with a view to increasing their ambition level.

Regrettably, neither has the 2CP come into effect, nor has there been a revision of the ambition level for the emission cuts of developed countries thus far.

To give effect to the Doha Amendment, and for the 2CP to come into effect, a total of 144 countries have to ratify it, including developing countries. Thus far, only 84 countries have done so.

Hence, the lack of a 2CP for developed countries under the KP will be a major bone of contention.

To focus on these pre-2020 commitments and actions of Parties, the Like-minded Developing Countries (LMDC) have called for the COP 23 agenda to be amended, to enable the consideration of “accelerating

the implementation of the pre-2020 commitments and actions and increasing the pre-2020 ambition...” as an agenda item, in accordance with the decisions taken under the Convention.

Whether developed countries will resist the LMDC proposal for amendment of the COP 23 agenda to address pre-2020 commitments on the first day of the climate talks remains to be seen.

### **The United States withdrawal from the PA**

Another preoccupation of many Parties will be on how to engage with the United States (US) in the negotiations under the PA when it has indicated its intention to withdraw from the Agreement.

The PA as of now, has 169 countries who have ratified, accepted or approved it (from 197 who are Parties to the UNFCCC). The US is still a Party until it gets out of the PA legally.

The PA entered into force for the US on 4 Nov. 2016 and it will take 4 years before the US can be out of the Agreement, according to the provisions of the PA. This will be in Nov. 2020 and until then, the US will continue to be a Party to the PA.

In a media note dated August 4, 2017, the US State Department in its communication on the US intent to withdraw from the PA said that the US will continue to participate in the climate meetings including COP23 “to protect U.S. interests and ensure all future policy options remain open to the administration. Such participation will include ongoing negotiations related to guidance for implementing the PA.”

Parties can be expected to watch how the US will engage in the negotiations under the Paris Work Programme (PWP) when it has no intention of remaining a Party to the PA. Of major concern to developing countries will be whether they will be ‘pressured’ to accommodate the US concerns.

### **The Paris Work Programme – how to produce the negotiating text**

At COP22 last year in Marrakech and in the May session of the climate talks this year, stark divergences of views between developed and developing countries persisted on how they understand and interpret the PA.

Central to the disagreement is the question of how differentiation between developed and developing countries will be operationalized in the rules for the implementation of the PA.

Another particularly contentious issue relates to what further guidance should be provided in relation to

NDCs as regards their features, information and accounting. In this regard, the scope of NDCs is a major bone of contention.

Apart from NDCs, other issues that relate to the PWP include: guidance for adaptation communications, the modalities, procedures and guidelines (MPGs) for the transparency framework for action and support, matters related to the global stocktake, modalities and procedures for the effective operation of the committee to facilitate implementation and promote compliance, the issue of the Adaptation Fund serving the PA, modalities for biennially communicating finance information on the provision of public financial resources to developing countries, and setting a new collective quantified goal on finance.

These issues need to be resolved by 2018, unless Parties agree to extend the timeline next year.

Many Parties have also provided lengthy and detailed submissions on the various matters relating to the PWP.

A major issue will be on how to produce a negotiating text that is Party-driven and inclusive, balanced on all the elements, and reflects the positions of all Parties.

Two of the key issues relate to NDCs and the transparency framework.

### **NDCs**

The scope of the NDCs is expected to continue being a contested issue, with developed countries and several developing countries focusing only on the mitigation aspect of NDCs.

The LMDC, the Africa Group and the Arab Group are of the view that the scope of NDCs is comprehensive, in that it covers mitigation, adaptation and means of implementation (finance, technology transfer, capacity building), consistent with Article 3 of the PA.

Most of the other groupings of Parties only focus on the mitigation component of the NDCs including that from developing countries, with many developed countries equating NDCs to be mitigation only. In many of these submissions, there is also no reference to the relation between NDCs and the means of implementation.

A central issue is the purpose of the guidance on the information that needs to be provided by Parties as regards their mitigation contribution. Parties are divided over this.

While many of the submissions stress on the need for the information to be able to quantify the mitigation efforts of Parties into tonnes of CO<sub>2</sub>-eq (carbon

dioxide equivalent) in order to compare the efforts and to evaluate progress in relation to the long-term temperature goal, while others like the LMDC stress that this is not the purpose of the information to be provided.

The LMDC view in this regard is that the purpose of the guidance is for Parties to provide the information necessary for clarity, transparency and understanding of their NDCs as set out under Article 4(8) of the PA and is not meant to lead to a quantification of the mitigation efforts of all Parties in order to assess the aggregate effort of their individual actions in relation to the temperature goal.

### **Transparency of action and support**

Submissions of developing country Parties show many common positions in terms of the scope of the transparency framework (encompassing mitigation, adaptation and support viz. finance, technology transfer and capacity-building).

On the issue of operationalisation of differentiation across action and support, most of the submissions of developing countries (with the exception of the AOSIS), make clear that the MPGs must differentiate between developed and developing countries, with flexibilities for developing countries.

Most of the proposals of developing countries emphasise the importance of flexibilities for developing countries in relation to the MPGs of action and that developing countries themselves determine their needs.

The developed country submissions show a lot of similarities with the stress on common MPGs which are uniform for all countries with flexibilities in very limited areas for developing countries who need it.

While the developed country submissions do refer to information needed on transparency of support, no emphasis is given on the review and verification aspects of the transparency of support.

### **Facilitative Dialogue 2018**

In Paris, Parties had agreed to “convene a facilitative dialogue among Parties in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to in Article 4 (1) of the Agreement and to inform the preparation of NDCs pursuant to Article 4(8) of the Agreement.”

The Presidencies of COP 22 (Morocco) and COP 23 (Fiji) have prepared an informal note to inform Parties on their consultations this year on the organization of the 2018 facilitative dialogue, which they refer to as the ‘Talanoa Dialogue’.

The note provides a description of the ‘features’ of the dialogue, which among other things, states that “the dialogue will be conducted in the spirit of the Pacific tradition of Talanoa” which is “a traditional approach used in Fiji and the Pacific to engage in an inclusive, participatory and transparent dialogue” with the purpose of sharing “stories, build empathy and trust.”

According to the note, “the dialogue will be structured around three general topics: where are we; where do we want to go and how do we get there.”

The dialogue is supposed to consist of a preparatory and a political phase, with the COP 23 President and the COP 24 President (Poland) providing a summary of key messages from roundtables to be held in 2018.

The note further states that “it will be important to send clear forward looking signals to ensure that the outcome of the dialogue is greater confidence, courage and enhanced ambition”.

According to sources, concerns have arisen among some Parties as to whether the dialogue will be used to require Parties to revise their NDCs in view of the emissions gap resulting from the current NDC pledges.

In particular, some Parties have questioned the design of the dialogue in view of the mandate from Paris.

According to sources, the Paris mandate makes clear that the purpose of the facilitative dialogue is to inform the preparations of Parties NDCs, after taking stock of the collective efforts of Parties in relation to progress towards the long-term goal.

Their understanding is that the NDCs referred to in the mandate relate to the first NDCs communicated when Parties ratified the PA.

When the decision was taken in Paris in 2015, no one had envisaged that the PA would be ratified rapidly in 2016, with Parties already communicating their NDCs, before the facilitative dialogue in 2018.

Hence, according to some Parties, the mandate envisaged in the Paris decision has been overtaken by events rendering the mandate superfluous or obsolete.

In particular, according to some developing countries, it is unrealistic to expect them to revise their NDCs with more ambition, when they have already communicated what they can do, including with the expectation of financial and technology support from developed countries.

In addition, with the US out of the PA, the emissions gap will be even bigger and with the failure to plug the gap in the pre-2020 time-frame by developed countries, expecting developing countries to do more is not fair, expressed several developing country negotiators to TWN.

Furthermore, some expressed concerns over what they see as a ‘mitigation-centric’ approach with also a lack of consideration for the adaptation needs of developing countries and a lack of clarity on what further financial resources will be provided by developing countries in the post 2020 time-frame.

These concerns are bound to feature prominently in further consultations of the COP 23 Presidency with Parties in the course of the coming two weeks.

### **Warsaw International Mechanism for Loss and Damage<sup>1</sup>**

COP23 is a first conference presided over by a small island state.

It is the hope of observers that Small Island Developing States (SIDS), in partnership with other developing countries, play a vital role at COP 23 in ensuring tangible progress on the issue of financing for loss and damage.

This can be done by demanding a two-year work process that focusses on exploring ways to generate and provide finance for loss and damage.

According to sources, developed countries are using procedural excuses to delay meaningful discussion on providing finance to developing countries on addressing loss and damage.

The 6<sup>th</sup> meeting of the Executive Committee of the Warsaw International Mechanism for Loss and Damage (WIM), (its second meeting in 2017), took place in Bonn from 11 to 13 October. The Committee has submitted its report to COP23 via the subsidiary bodies, for the consideration of Parties.

Significant decisions from the meeting are as follows:

- a. A draft of 5-year rolling work plan of the Executive Committee has been agreed, which now needs to be approved by Parties at COP 23.
- b. A clearing house for risk transfer that serves as a repository for information on insurance and risk transfer has been developed. It has been agreed to launch a beta version of the online platform at COP23 at the COP Presidency high-level event.

<sup>1</sup> Inputs from Harjeet Singh, ActionAid International

c. The newly-formed Task Force on Displacement that met in May 2017 has developed its work plan. It will submit its draft recommendations in the later part of 2018.

Under the 5-year rolling work plan, the loss and damage finance has been one of the most contentious issues at the ExCom, especially at its last meeting. The issue made little progress this year, too.

The discussion was mainly around implementing the decision taken at COP22 (Decision 4/CP.22) to prepare a technical paper elaborating the sources of financial support, as provided through the financial mechanism, for addressing loss and damage as well as modalities for accessing such support. This paper is to be finalised by June 2019, which means nothing substantive will happen between now and June 2019.

The discussion next year will only be around ExCom supporting the UNFCCC Secretariat in determining the scope of the technical paper.

The process regarding working with Standing Committee on Finance and other relevant actors on the range of financial instruments and how to make

them available to vulnerable countries has been postponed to ExCom meetings to be held in 2018 and 2019.

While discussion on finance made little progress in 2017, the clearing house on risk transfer got all necessary attention as well as the financial support.

Developed countries have always been keen in promoting insurance, knowing well that it can hardly address the entire range of climate change impacts. Moreover, there is no clear commitment from developed countries that the cost of insurance premiums will be borne by them and will not burden developing countries.

Hence, in issue at COP 23 will be whether speedy progress on a process to address the financing of loss and damage will be forthcoming.

The above are just some of the major issues that will occupy the attention of climate change negotiators at the Fiji climate talks.