

No mandate for modality to communicate ex ante information on public finance – say developed countries

Bangkok, 5 Sept. (Meena Raman) – As Parties begin to accelerate work on producing a negotiating text on guidelines to implement the Paris Agreement (PA), developed countries continue to insist at the Bangkok climate talks that there is no mandate in the PA for any ‘modality’ (mode to express) on ex ante information on the projected levels of public financial resources to be provided by developed countries to developing countries under Article 9.5 of the Agreement.

Developing countries on the other hand continued to maintain that there is a mandate to operationalise Article 9.5 under the PA and this must be done and that work currently being done under the Subsidiary Body on Implementation (SBI) on the “identification of the information to be provided by Parties under Article 9.5,” was limiting, as it did not address the ‘modality’ to communicate the information identified and wanted this addressed by the APA.

Developed countries drew attention to the work being done by the SBI on the matter and said that there was no further mandate or “missing mandate” to address the issue of the ‘modality’ for communicating that information.

These divergent views were made clear at the informal consultations held afternoon of 5 Sept, conducted by the Ad Hoc Working Group on the PA (APA) Co-chairs **Sara Bashaan (Saudi Arabia)** and **Jo Tyndall (New Zealand)**.

Bashaan recalled the discussions held at the last meeting of the group in Bonn, Germany in May this year and said that the Co-chairs had produced a ‘tool’ to capture the ideas expressed by Parties.

She said that the ‘tool’ (which is a document) in relation to Article 9.5 provides two (divergent)

options reflecting the proposal by the **African Group** and supported by the **Like-minded Developing Countries (LMDC)** which was contained in a conference room paper (CRP), and also an option for “no recommendation” from the APA to the first session of the Conference of Parties meetings as the Parties to the PA (CMA 1), (which is a proposal from developed countries.)

(Article 9.5 provides that developed countries ‘*shall biennially communicate indicative quantitative and qualitative information*’ related to the provision and mobilisation of financial resources ‘*including as available, projected levels of public financial resources*’ to be provided to developing countries.)

(The option containing the proposal by the developing countries is for a decision to “establish a registry of the information communicated by developed country Parties in accordance with Article 9.5” and “requests the secretariat to prepare a synthesis report for the consideration of the CMA.” It also proposes a decision that developed countries “shall biennially communicate information in accordance with Article 9.5, covering the implementation period consistent with the time frames established ...”.

The proposal further requests developed countries “to submit their first biennial communication of indicative support for the consideration by the CMA at its 2nd session” and also proposes a decision “to initiate the facilitative multilateral consideration of progress and technical expert review information provided and reported by developed country Parties and constituted bodies under the PA...with a view to capturing progress in meeting the financial obligations under the PA...).

Egypt for the **G77 and China** welcomed the tool and stressed the need to have a meaningful outcome on this matter.

Reflecting on the tool produced by the Co-chairs, **South Africa** for the **African Group** said that while the tool reflects the status of the negotiations, it was not satisfied that there is an option for “no recommendations” to the CMA. It said that a decision was needed to go forward on Article 9.5 on “the modality of communication” and informed Parties that it has resubmitted the CRP of the African Group which had the support of the **LMDC** and the **Arab Group**.

South Africa stressed that the outcome on this matter was a fundamental part of the decisions to be adopted in Poland in December this year and if no progress is made on discussions on its CRP, this would present a serious problem in the Bangkok session and in Poland. It stressed that the ‘modality’ for the communication needs to be confirmed in a decision and urged developed countries to be flexible on the matter, given that this was important to developing countries and that it would be a “dangerous signal” if there was no outcome and decision on the issue.

Ecuador for the **LMDC** supported the African Group and further pointed out that the issue being dealt with under the SBI (under item 15 on Article 9.5) is limiting (as it relates to a process to identify the information to be provided by Parties under Article 9.5), and that Article 9.5 entails the communication of that information to the UNFCCC which is posted on the website and is made available to Parties. It said that otherwise, the communications are confidential and there was no process behind it. The intention, it said is to clarify how that process and modality looks like so that that the presentation of information by the SBI is made operational and is useful, emphasised Ecuador further.

In welcoming the tool by the Co-chairs, it said that the issue of option 2 (of ‘no recommendation’) can be resolved by putting brackets in option 1 (reflecting a lack of consensus). It also wanted a discussion on substance on how the current experiences may or may not be enough in this regard as it was crucial to operationalise Article 9.5.

Japan said that the mandate of the PA was adequate to be addressed under the SBI and option 2 on ‘no recommendation’ was the way forward.

The European Union while Article 9.5 is vital to complete the PA Work Programme (PAWP), the issue of ‘modality’ is not part of the Article. It said that submissions by Parties are an accepted form of communication on the matter and this was sufficient to operationalise Article 9.5. It also preferred option 2 in not having any recommendation on the matter by the APA.

Brazil, speaking also for **Argentina** and **Uruguay** said there is need for a comprehensive approach on ex ante information on finance and on how to treat that ex ante information.

China echoing support for the G77, the African Group and the LMDC said that there were two distinct options on the table. It wanted engagement on substance and said that the request to developed countries was simple. It asked through what kind of channel are Parties going to communicate the information; whether it was through website and when they were going to make that submission and when there will be a review. It said these were key steps in implementing Article 9.5. In response to the EU that they can implement Article 9.5, China asked when there will be a first submission of the information asked for.

The United States said there was no missing mandate in the Paris decision. It said that it agreed that Article 9.5 was critical to the PAWP but the issue is being dealt with under the SBI and that “modalities are not part of that mandate.” The focus of the SBI is on the information that needs to be provided and there was no need to expand on the modalities. It wanted to retain option 2 on the table for no further recommendation from the APA.

Australia also supported a discussion of this matter under the SBI and for no further recommendation from the APA. **Switzerland** also echoed similar sentiments.

The APA Co-chair invited Parties to continue discussing with each other informally so as to find a way forward on the matter. A further informal consultation on this issue will be held sometime this week.