

## Difficult talks expected at year end climate talks

Penang, 27 Sept. (Meena Raman and Indrajit Bose+) – The year end climate talks under the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement (PA) to be held in Poland is expected to be very difficult and rocky, given where Parties left off from the Bangkok session held recently.

The Bangkok talks held from Sept 4-9, to accelerate work on producing a negotiating text on the guidelines to implement the PA (known as the Paris Agreement Work Programme) saw big fights between developed and developing countries, signalling the continued battle over the interpretation of the PA.

The PA was a very delicate deal struck between developed and developing countries, following years of intense and difficult negotiations between Parties.

Since the political deal among world leaders has been settled with the signing and ratification of the PA, many expected that the negotiations over the rules and guidelines for implementation of the Agreement would be smooth sailing. However, this is not the case.

Wrangling over what has been agreed to in Paris and how the PA is to be implemented continues to expose the deep political divide between developed and developing countries and the challenge in Bangkok was to arrive closer with ‘tools’ that would allow the production of a negotiating text in Poland that is balanced and reflects the views and positions of all Parties, so that the real ‘battle’ for arriving at compromises would be possible.

However, when Parties left Bangkok, progress on the items under the Paris Agreement Work Programme (PAWP) was uneven and imbalanced, as is clear from the [outcome](#), captured in a 307-page document.

The outcome document is a compilation of all the work under the PAWP tasked to the various UNFCCC bodies viz. the Subsidiary Body for Implementation (SBI), the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Ad Hoc Working Group on the Paris Agreement (APA) to craft the modalities, procedures and guidelines (MPGs) for the implementation of the PA.

Some of the issues progressed to draft decision texts, which was one objectives of the Bangkok session. But some issues could not advance due to either disagreements or “complete lack of respect for developing countries’ views”, a senior negotiator told TWN.

Three overarching issues held progress hostage-(i) developed countries’ refusal to include developing countries’ views in the draft iterations of text, such as on nationally determined contributions (NDCs); (ii) developed countries trying to go back on what was agreed in Paris, such as attempting to not recognise differentiation in the provisions of the PA or side-lining issues related to equity such as in the discussion on the global stocktake and (iii) a complete lack of progress on finance issues. (See below for further details on these issues).

Developing countries explicitly called out the developed countries on these issues in the joint closing plenary of the three subsidiary bodies on 9 September (see related [TWN Update](#)).

The following are some of the key issues where the altercations in Bangkok are expected to continue in Poland.

According to sources, underlying these fights are concerns over the “covert game that is being played behind the scenes,” to accommodate the concerns of the United States (US) in particular, which is opposed to having different rules for developed and developing countries in the implementation of the PA and does not want any substantive decisions on finance at COP 24.

### ***NDCs: Efforts to side-line developing country views***

The battle lines were drawn early in the Bangkok process on the discussions over the NDCs.

Led by the US, the developed countries were not prepared to reflect differentiation among developed and developing countries in the guidance to be developed on NDCs, which was the preferred option of a large bloc of developing countries led especially by the Like-minded Developing Countries (LMDC).

According to sources, an “evolving document” called a “draft outline” had been informally circulated within the NDC negotiators, with the idea of testing how to capture Parties views in textual language. Reflecting differentiation between developed and developing countries became sticky in the “draft outline”.

In relation to information to facilitate clarity, transparency and understanding of Parties’ NDCs, there were different views on the table. One view was that all Parties would provide information on a certain set of elements; the other view was developed countries would provide certain set of information and developing countries would do it at their discretion or over time.

A fight ensued for four days on how to reflect these “views” in the text to be produced.

For the discussion on NDCs, the LMDC suggested that the various views be captured as options in the draft outline. According to sources, a negotiator from the LMDC made clear

its stand that there were differences among developing and developed countries on the scope of the NDCs (whether it is only about mitigation contributions or if it also includes adaptation efforts, as well as the means of implementation related to finance, technology transfer, capacity-building) and how the information to be communicated in relation to the NDCs are differentiated between developed and developing countries. The negotiator apparently said that every Party has a right to its view and all that was being suggested was to reflect all views as options in the draft outline and that the starting point for the negotiations has to be “a level-playing field.”

But the US, (which has communicated its intention to withdraw from the PA) could not agree to the proposition and sources said that it shot down the option of reflecting all Parties’ views as “options”.

Long hours till late into the night were spent discussing how to capture the views of Parties. After three days, a formulation emerged that the text to reflect ‘views/options’. This was acceptable to the US with the caveat that the formulation could not be attributed with a number; in other words, the suggestion was to leave the ‘views/options’ in the text as un-numbered in the draft outline, while other texts were numbered, which was seen as an attempt to effectively render the ‘views/options’ paragraphs “status-less”, according to a negotiator.

The different treatment texts, some with numbers and some without reflecting what the US could go along with, gave rise to questions from developing countries as to why different status were accorded to different texts.

(The work from Bangkok session is to be taken forward by the presiding officers of the relevant bodies by identifying ways forward, including textual proposals that would be helpful for advancing the negotiations. Hence, according different status to various parts of the texts raised significant concerns for developing countries.)

Further discussions gave way to huddles, and in some of those, emotions ran high, where according to sources, the co-facilitators from

Singapore and Italy were seen to have “pressured some Parties” to hand over the mandate of drafting the text to them, where they promised to “weave magic” in relation to resolving the differences among Parties.

Developing countries held their ground to ensure a level-playing field and said that if Parties’ views were not being allowed to be captured in texts, the starting point for negotiations was clearly, still far away.

Even as negotiators spent busy hours in informal consultations, some of which even went on close to midnight, no agreement could be arrived at. Parties thus went back to the “additional tool” prepared by the Co-Chairs of the APA prepared prior to the Bangkok session.

Expressing regret on the issue, the LMDC said during the closing plenary of the Bangkok talks that “there have been persistent attempts to renegotiate the PA by developed countries, particularly on the essential differentiation between Annex 1 and non-Annex 1 Parties coming from the Convention which continues to be reflected in the PA and on the scope of the NDCs as contained in Article 3. Further textual progress has been limited because some Parties did not accept how to reflect differentiation between developed and developing countries as a paragraph and options in the text,” said Iran on behalf of the LMDC, calling for an appropriate solution on differentiation on this agenda item”.

The Umbrella Group of which the US is a member, on the other hand said that “bifurcation” (referring to differentiation between developed and developing countries), “is inconsistent with the PA and would hinder than build trust (among Parties)”.

The divergent positions over the scope of the NDCs have also spilt over to the negotiations under the SBI in relation to the public registry for NDCs and the registry for adaptation communications (AC), which are under two separate agenda items of the SBI.

Several developing countries have been requesting joint-sessions to deal with the issue of the registries, instead of having separate discussions as the issue of the NDCs and the AC

were intricately linked. They are of the view that there is no need to have two separate registries, arguing that NDCs comprise both mitigation and adaptation as well, while the developed countries and some other developing countries are of the view that the features of the registries for NDCs and the AC are different. For the developed countries, the registry for NDCs is viewed as only addressing mitigation actions and nothing more.

A joint-session was held under the SBI to discuss both registries but is not any closer in resolving the differences of views and positions on the matter.

### ***Global Stocktake: Attempts to side-line issue of equity***

The PA stipulates that the global stocktake (GST), (which is an assessment of the collective progress of Parties towards achieving the purpose of the Agreement and its long-term goals), has to be carried out in light of equity and which will take place in 2023.

There is an agreement among developing countries that commonly agreed guidance to operationalize equity needs to be designed in the modalities of the GST.

At Bangkok, India for the LMDC called for equity to be captured in the negotiating text not just as an overarching but also as a crosscutting issue in all the elements of the GST.

However, developed countries from the Umbrella Group of countries wanted the issue of equity to be ‘parked’ at Bangkok, and for Parties to instead discuss the modalities of the GST.

“Equity is an important component for preserving the collective and facilitative nature of the GST. No modalities can be arrived at without equity in the modalities,” said a developing country negotiator to TWN, adding that this view had been communicated to the developed countries during negotiations.

“Several indicators have been proposed to measure equity. Historical responsibility, equitable access to sustainable development, and carbon space are among them. We need to find a

way to operationalise equity,” said the negotiator further, expressing concerns about attempts to push discussions on equity to a corner.

Work done at the Bangkok session is captured in a revised tool, which reflects the views of all Parties and captured as ‘options’, including on issues related to equity.

### ***Finance-related matters***

In relation to finance issues, several contentious issues emerged around modalities for 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 PA and setting up a process for a new collective goal on finance based on the needs and priorities of developing countries before 2025 (See related TWN [Update 2](#) and [TWN Update 3](#)). See below for progress on the finance related issues under the respective bodies.

### ***Article 9.5 under the APA***

Under the APA, modalities for the ex-ante information under Article 9.5 are being discussed under ‘possible additional matters’.

During the discussions, developed countries stressed that discussing modalities for communicating the ex ante information on the projected levels of public financial resources was outside of the mandate of the PA, even though developing countries stressed over and over again as to why this the issue of modalities was critical to be addressed.

They explained that for whatever information that developed countries provide, to prove them useful needs the design of modalities to communicate that information. Developed countries would not accept any explanation and reasoning and continued to insist that the issue of ‘modalities’ was not within the PAWP mandate.

The differences continued throughout the session and the outcome is captured in the form of a draft text language in the revised tool reflecting two options: The first option outlines the modalities for such information (which is the proposal of developing countries) and the second option (proposed by developed countries) simply

states that the APA does not need to provide any recommendation on the matter to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).

### ***Article 9.5 under the SBI***

Under the SBI, the agenda item on Article 9.5 deals with the ‘identification of the information to be provided by Parties.’ In Bangkok, differences emerged on the nature of information to be provided.

Sources said that the US mentioned that it did not want to capture information only in “quantitative finance flows”, since much of its support is in terms of “technical partnerships” and Switzerland was not in a position to provide disaggregated quantified information. Sources also said that the idea of “partnerships” floated around by developed countries was not acceptable to developing countries, as they were looking for meaningful financial resources from developed to developing countries.

Developing countries also explained that the idea for the information to be provided is to enhance predictability and transparency. The PA states that the financial resources to be provided and mobilised should take into account the needs and priorities of developing countries and in terms of qualitative information, how the needs and priorities are reflected is the starting point for qualitative information, emphasised developing countries.

Another important aspect was the balance between mitigation and adaptation support when the information is provided, how the support is new and additional and how the support takes into account public and grant-based needs for adaptation, developing countries said during the discussions.

Some developing countries also expressed concern with use of words such as ‘donors’ being used in the discussions and asked Parties to refrain from using such terms, nor create artificial differences among developing countries.

Even with these differences, developing countries were in favour of capturing progress of

work in a draft decision language format, but developed countries said they could not go along such a proposal and they preferred to work on the basis of the informal note.

Thus, the discussions on the issue concluded with an informal note by the co-facilitators, comprising general considerations, potential considerations for the preparation of quantitative and qualitative information, along with further considerations required. The informal note also contains the submissions from Parties, including a conference room paper submitted by the African Group and the LMDC.

### ***Article 9.7 under SBSTA***

Under the SBSTA, in relation to Article 9.7, Parties discussed ‘modalities for the accounting of financial resources provided and mobilized through public interventions’ during the Bangkok session and arrived at a draft decision highlighting different options reflecting the views of developing and developed countries. The draft text resulted by integrating submissions of the G77 and China and Australia, Japan and the US.

Even though Parties considered moving to a draft decision as progress, substantively, there remained vast differences.

According to sources, developed countries wanted references to new terms such as ‘reporting Parties’ in the text, when the obligation of providing financial support is on developed countries.

Developed countries also proposed deleting references to ‘loss and damage’ and expressed discomfort around the use of words such as ‘new’ and ‘additional’ during the discussions which raised red flags from developing countries.

There were also differences in views on how the information on finance provided and finance mobilized should be treated, with developed countries wanting the clubbing of both types of information, while developing countries wanted a distinction between the two.

In light of the above, the road to and at Katowice, Poland is bound to be thorny and whether and how compromises will be reached given the vastly opposing views between Parties, remains to be seen and is expected to draw much public attention.

It will indeed be a testing time for the COP 24 Polish Presidency.

(+ With Inputs from Prerna Bomzan)