

May 7, 2018, Notes by Patricia Galvao Ferreira, Windsor Law/CIGI

11:00-12:00	**APA agenda item 8: informal consultations on issues related to Adaptation Fund moved from 10:00 to 11:00	Genf
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(A serious organizational problem affected the observers for this informal consultation today. Observers with the appropriate yellow card stating APA Agenda 8 Adaptation Fund were either prevented from entering or expelled from the meeting room. Minutes before the informal, security staff received a message that only observers with a turquoise card would be allowed access. Members of the ENGOs, RINGOs and other constituencies tried to get security staff to confirm with the Secretariat because it was clear there was a mistake, but they had express instructions to only allow turquoise card holders in. The problem was resolved by getting turquoise cards with the contact point Tracy Bach. The problem should be clarified to avoid repetition, as most observers were prevented from following the first part of the informal.)

Co-facilitator

This is the second iteration of informal notes that was shared. The note is now divided in 3 sections: governance, operating modalities and safeguards. Each section has boxes with Parties different options.

Section 2, on operating modalities, was divided in two sections. The first one deals with the role of AF in the international climate finance architecture and the second one deals with complementarity and coherence with other Funds.

All matters related to linkages are presented together. Co-facilitators can separate if Parties do not find this appropriate.

Views on the preamble may also be included. Or Parties may decide to include just a reference to the UNFCCC. Parties should express their views on prioritization of items to be discussed.

Argentina (+ Brazil and Uruguay)

The problem is that informal note was issued a couple of hours ago. They had a chance to read just now. They had no time to consider the content of the note. They are not opposed to discussions on the substance but think they did not spend quality time on the notes. They would need more time to consider and would like to have another session. They think they are not far away from consensus on this item.

Egypt

Echoes Brazil, Argentina and Uruguay (UBA). G77 have not had time to reflect on the note. Time may not be used effectively in these circumstances. Asks co-facilitators to provide some guidance on how to move forward in these circumstances.

Switzerland

Agree that Parties need more time. Maybe co-facilitators could suggest some guiding questions, so Parties can prepare their interventions for next session.

Norway

Understand that it is difficult to engage fully on substance when there was no proper time to consider. Still think there is a chance to discuss substance if they agree that all options should be preserved. If there is interest from Parties to go forward, they could consider that this is not the proper negotiating text. They could just get some initial feedback, for example to discuss whether there are some items missing.

Co-facilitator

Understand that Parties can't react to what they have not gone through.

Saudi Arabia

There are different ways of skinning the cat, and there are different perspectives on how to address the Adaptation Fund. Not all views have been properly reflected. One decision could be to turn the Adaptation Fund into an operating entity of the convention, instead of the Kyoto Protocol. Other option is to leave the Adaptation fund as it is under the Kyoto Protocol and to create a new Adaptation Fund under the PA. Parties need to discuss this issue.

South Africa

Informal note is a tool to get further understanding on the issues.

Egypt

The informal note is what it is: an informal note. Parties submissions for the informal note will inform the future negotiations. Cofacilitators looked at Parties submissions and used information to build the existing informal note. The note seeks to give Parties a better understanding of certain elements under negotiation but does not exclude any option.

Cofacilitators

Want to reemphasize that notes are a tool to help understand the options, to help Parties think through the options.

Argentina

UBA are willing to proceed with discussions today but would like cofacilitators to consider other way to work. They think there is a need for an extra session on the AF, as they would not like to leave this discussion to the dead end of the intersession.

Belize

Agree with Argentina, they know the pressure of time, but would appreciate extra time to work on this agenda item. For now, they can go through the note.

Saudi Arabia

Would like to highlight that in fact the informal note does not presently include all views and should not be considered in this form. The note should include all the ideas expressed by Parties, not only those included in the submissions. Think that Parties should not engage with the informal note without first ensuring it contains all the ideas. Cofacilitators need to include all the views.

Cofacilitators

To clarify, this is an informal note, and not intended as a negotiating text yet. Best is to discuss all the views to ensure all positions are captured.

Norway

Ready to go through the note to identify the views that may be missing.

New Zealand

Some legal aspects exist that still need to be addressed, so they will need extra session. Time is at a premium, so want to identify how best to use the time now in this session. The best way forward may be for Parties to express where their views are not yet reflected.

Malawi

(on behalf of LDCs) expresses a position similar to what Belize and ABU expressed: the adaptation fund is a crucial climate fund. They are convinced that adaptation fund shall serve the Paris Agreement. Need to discuss the modalities on how the AF can serve the PA. Parties need to make progress to achieve a good outcome from this discussion. Some views are still missing. Encourage that all views are captured.

Belize

They should have two timeline scenarios going forward, for next meeting.

South Africa

Need for CMA to decide that the AF will serve the PA, so they can move forward on further COP discussions. Timelines are important.

US

Thinks that proposal of using two scenarios is good. Timeline to decide what the text means, and then decide what still needs to be done.

Argentina

Agree that element number 1 should be to complete the work so that CMA can make the decision that AF shall serve the PA. Supports the idea of setting timelines.

Saudi Arabia

The AF may serve the PA, Parties in COP 21 already decided that. The point now is how to do no harm to the existing fund, while making it serve the PA. They may need to slaughter the existing fund and recreate a new fund. This does not mean necessarily the demise of the AF under KP. The AF is our fund as developing countries. The rest of the funds, gef and GCF, operate from perspective of developing countries. The AF should not serve the PA until it is redesigned, this is what is being argued here. According to current informal note, Parties will be discussing the redesign of the AF to serve PA. In this view AF would be to exclusive service to the PA. But Parties have not decided that yet, they need to understand the options. Parties need to get reassurance that all views are captured. Existing boxes are not reflecting all the views.

Cofacilitators

Parties need to make some decisions on the options. No change to the AF is one option. AF serving PA exclusively is captured in box c. Other option is to have a transition period, with a handover. All those inputs are reflected. Yet without the consent of Parties they can't move forward.

China

Asks clarification on time management. This session ends Wednesday, what is the plan?

Cofacilitator

Asks parties to consider box 1: AF serving cma only, AF serving cma and cmp for a time, or AF serving both cma and cmp.

Belize

(something about a line that cma confirms the decision. (?))

(missed some discussions here)

Switzerland

CMA may decide that AF starts serving the PA immediately, or 2019, or 2020 or 2021.

Norway

The language should be that CMA decides, not confirms.

Cofacilitator:

Although there was some very good progress today, there is no more time left and they need to continue the discussion in the next session.

Argentina

Wants to know whether there will be an additional session on this agenda item.

Co-facilitator:

The Secretariat will be able to confirm this in the next session

Argentina:

Previously they favoured option 3. Yet after listening to the explanations from the Secretariat in the last session, they now are in a position to support the deletion of option 3