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Session/Agenda Item: APA agenda item 3: informal consultations on further guidance in relation to the mitigation section of decision 1/CP.21

Location: UNFCCC COP 24, Katowice Poland

Room Number: Meeting room 20

Date and Time: 5 December 2018 10:00-11:00

Participants(name and organization): Larger session

Attachments :

https://unfccc.int/sites/default/files/resource/APA_SBSTA_SBI.2018.Informal.2.Add_.1_part_1_0.pdf

12/5: Informal Discussions on APA -3

Morning session: 10:00am-11:0am

Co-facilitator intro:

- Wants to hear on: capacity-building, modalities, methods, double-counting
- Summary of yesterday: parties seem to want things to be streamlined;
- Invitation to hear text proposals

Brazil

- GDP, GWP - looking language to clean up that paragraph with reference to GDP

New Zealand

- Double counting - got work done overnight, still working on what it'll look like
 - Their approach/thoughts: this is something outside of Article 6 and Article 6 and accounting should be separate
 - Mandate for avoidance of double counting
 - You have party transferring/authorizing a mitigation outcome - concept people liked
 - Outcome would be for use/purpose other than achievement of NDC
 - Adjustment so that party can adjust its emissions/removals corresponding to NDC

Marshall Islands on behalf of AOSIS

- Generally: want way around something
 - Shouldn't impose on sovereignty of countries by being prescriptive
 - Don't want to say what NDC will actually look like
- Double-counting
 - Should not have to ensure environmental integrity
- Welcome what New Zealand said
 - Interested in language to ensure no double counting

China LMDC

- Concerns about streamlined note

- After yesterday's positions
 - Some consistencies achieved
- Features
 - Streamline very clearly
 - Because seem from yesterday that we agreed on this
 - Emphasize: re-emphasize article 3 importance
 - NDC full scope issue; not just mitigation
 - Want to have subst. Discussion on mitigation
- ICTU and Accounting
 - Is it agreed by all parties to delete Objectives?
 - Seems like this is the case
 - To streamline process if we decide this now
- Accountability
 - Is very important
 - Need to reflect in final iteration of how to apply this guidance
- Paragraph 27
 - Crucial for guidance to include it
- Capacity-building
 - We have a proposal (point) from yesterday to provide. Wants to share if ready.
- Page 13 from Oct note (When should guidance be applied to NDCs?)
 - ^^ basically the note now is not clear on options. She tries to summarize options:
 - Let's 3 options
 - 1. 2nd and subsequent; can apply earlier if want
 - 2. Subsequent 2031 onwards; earlier if want
 - 3. To apply to first NDC
- Is it nec to keep [some annex?] in the thing?
 - Do not see value of having to have countries submit additional document; ICTU info can just be annexed to NDC. can we take out different document option?
 - Accounting: also streamline: could just be annexed.
- Need to treat NDCs as full-scope issue: not just mit, adaptation, means of impl
- To now, we haven't had enough time to digest substantive elements
- Suggestion
 - If we can't reach consensus, another opinion:
 - One paragraph to conclude in APA 3
 - Might be another possible proposal (based on article 3 and 4 of PA) - not sure what she's talking about exactly
- If possible, wants to change the room for APA 3 because of bad mics and stuff.

co-facilitator: China, are you ready to share your proposals at this point?

China was worked with LDCs on it, and they should share.

China asks if they are ready to share;

Ethiopia: we are still working with some parties, not ready to share yet

Brazil - on behalf of Argentina and Uruguay (ABU)

- Thanks New Zealand on avoidance of double counting

- Still have conceptual differences on discussion framing
- Double accounting about removals and how you reflect that in the inventory
 - Reflected in paragraphs 31a, b, c with tech principles and enviro integrity
- Idea of bringing in idea of mitigation outcomes
 - Mitigation outcomes that are transferred exist only under 6.2 in Paris
 - That's where we've invented ITMO(?)
 - If we talk about this stuff outside of 6.2, we're opening the door for trading credits that aren't consistent with our obligation for environmental consistency
- 31a - GWP
 - They're starting to work on language and want to put it in when they finish

US

- Thank China
 - Clarify time in application of guidance - 'guidance optionally applied once it's 2020' - not understanding of the parties
 - Calls out China for assuming agreement

India

- Aligns with China
- Aligns with Brazil on ITMO stuff
 - Any discussion about ITMOs should be under APA-6,
 - If we put it in guidance; this is "beyond the mandate for us"

Canada

- Thanks to Ethiopia; wants to contribute but difficult to contribute to capacity-building things; but that paragraph is important
 - Thinks it's important for LDCs to have in guidance the paragraph about capacity-building
- Our understanding - 4.13 says that we do have a mandate to deal with double-counting
 - Inventories are one space for that (puts a complicated place in PA where inventory guidance is)
 - Inventory guidance for APA 6 not us
- But, big potential for double-counting in Article 6 and APA-6 will be dealing with that
- This particular instance in dealing with double-counting (ITMOs)
 - The instance of double-counting and how it relates to NDCs, though, is NOT covered anywhere else (APA-6 does not deal with specific ITMOs that deal with NDCS
 - 6.2 and 6.5 talks about ITMO
- Any case of dealing with ITMOs from one party to another party - that is in fact in APA-6
 - But here, we're doing "regular accounting"
- Bunker fuels
 - Achievement units transferred between scope and coverage of one party's NDCs
 - Think of double-counting: not just between NDCs; collective goal focused on double-counting on behalf of the atmosphere.
- Transfer those outcomes to offset emissions from bunker fuels
 - ^^^^ when this is done, this is double-counting in respect of the atmosphere
 - Need to deal with that in this room
- 4.13, it is our mandate to deal somehow with double-counting

- Climate finance (results-based payments; something else)
 - Money linked to specific outcome that are sent to a country to have them achieve their NDCs
 - ^ don't have to worry about double-counting here
- We should have a succinct paragraph about double-counting mitigation outcomes in our guidance
 - When a mit outcome is transferred outside the framework of the PA that contributes to an outside objective, not towards a country's NDC, we need to ensure that a country cannot use this mitigation outcome for their NDC if they are using it for another responsibility/ rule
- Simple, don't need to reference other bodies, but just make sure not cutting down on results based climate finance instruments or helping only recipients achieve
- ICAO - there's a whole because bunker fuels not covered by NDCs - not attributable to any one party - achievable units transferred within scope and coverage of parties NDC -
 - If country uses mitigation outcome to deal with bunker fuels, can't be counted in NDC
- If these removals - parties count those outcomes and transfer

Egypt

- Double counting and in line w/ yesterday
 - Scope of Article 6 discussion is mostly about transfer of mitigation outcomes which isn't addressed under Paris - unique feature of article 6 to deal with transfer
 - Without diving into nature of mitigation outcome which is nationally determined
 - In some cases, you can have mitigation outcomes in other forms like energy efficiency, gigawatt hours - different metrics
 - What we're looking for is accommodating all mitigation outcomes and ensure the space for cooperation between parties to achieve NDCs
- 6.2 should be limited to transfer to avoid double counting
 - One approach in art 6 discussion is regarding buffers registry
 - 'Simple, just create transition away from NDCs and inventories' so that there's cooperation
 - Buffer registry start from zero balance can accommodate all mitigation outcome forms and realize all cooperative opps
- Reporting not to be dealt under article 6 - especially with ex ante reporting
 - What are you intending to use as mitigation outcome and are you going to transfer
 - When you decide to transfer, then article 6 applies
- Using this mitigation outcome in achieving NDC also not relevant to article 6 (relevant here)
 - After transferring, article 6 function ends and transparency comes into account

Australia

- Re. general summary and accounting
 - Want to clarify
 - 4 key elements related to structure summary that'll be reflected in decision on accounting
 - 1. Use to track progress and account for implementation and achievement as part of info submitted under 13.7b
 - 2. Account for quantified components

- 3. Show corresponding adjustments by adding, subtracting international mitigation outcomes covered by NDC
 - 4. Adjust emissions removals covered by NDC when you transfer mitigation outside of Paris (other than achieving your or someone else's NDC)
- On double counting
 - Agree it's important to mention avoidance of double counting explicitly
 - In addition to Article 6 guidance (we wouldn't necessarily over-step here) in line and should apply
 - Avoid risk of double counting when a party does mitigation outside of NDC and appreciate New Zealand that's capturing this point
- Capacity building
 - Happy to engage and participate and think it's important
- ICTU and communication channel
 - Support idea that ICTU should be annexed to party NDC since party analyzes where it should be
- Methodological consistency - vital part of accounting guidance - lots of text to get through in joint reflection note

Marshall Islands (on behalf of AOSIS?)

- Clear in terms of process
- We don't have a process here that silence on particular issue = consensus
 - Features
 - Mandate isn't to decide if or if not we want features
 - We still have positions on features; we're not nec. Decided
- Objective/purpose sections
 - Lots of parties want to remove
 - We expect this to be actioned in the next iteration
- Get into substance of diff negotiations
- Article 13 issue, not in article 4
 - Need to be consistent with language of this article -
- Highlights
 - Capacity-building is critical to moving forward
 - We want parties who are working on this to please come forward by at least this afternoon
 - Doesn't have to be perfect
 - During this session please??? Or this afternoon
- Substance
 - Don't want to plunge into long interventions, but
 - In ICTU and the accounting section- seems to be implying that mitigation is optional to be in NDC
 - ICTU in mitigation must be required; not optional to have this information
 - Double-counting
 - We'll find a way forward
- Repeating what's done in other rooms?

- Clearly, mitigation is requirement of NDC
- But shouldn't be repeating adaptation and means of implementation work being done in other rooms

Japan

- To respond to what was said
- The text- discussed intensively yesterday, there's large agreement on objections/substance thing
- Support the US: options about timing and application
 - We want to have option to apply ICTU by 2020.
 - 4.11 also clearly says that a party may at any time adjust NDC /communication
 - Some parties already updated
- Have to bear this in mind above
- Accounting guidelines
 - Involved with New Zealand conversation about capacity-building and accounting text
- Interested in talking with other parties before this afternoon
- Hear that we shouldn't dictate other parties
 - Fully support these concerns (from Canada and Marshall Islands)
 - Within the ndcs, clear that we have article 6 about double-counting
 - Careful language
- Canada- agree about having to carefully use language, esp with accounting and stuff being discussed by other apa/sbs
- We have some text on accounting but it's not completely ready, but happy to potentially share it today
- This afternoon, some parties maybe can't stay at center very late (past 7) - so important to discuss things

New Zealand

- What you intend to use for NDC and what you transfer is nationally determined
 - Why we don't refer to ITMOs sitting in article 6
 - Going for this guidance that says 'you choose what you do - but when you transfer outside of your NDC, you'd reflect that in your accounting' - why do they transfer out?
 - Hope it works for countries with all types of NDCs

Colombia (assuming on behalf of AILAC)

- Stick to principles of avoiding double counting
 - Overall idea of what's going to guide us and not repeat what'll be drafted and agreed in other rooms - to avoid entanglement, stay away from Article 6 discussions (happening in transparency room)
- Urge to concentrate in principles
- Same with adaptation that's being extensively discussed in other places
- Want to give example why it doesn't work for us to give other metrics like renewable
 - In some AILAC country, they have 100% renewable, so if they increase/decrease, it doesn't change since they're so high anyway (a little confused)
- Looking forward to draft of capacity building

Norway

- Hear call for inclusion of applicability language at this stage of deliberations; - think this is issue for next week
- But we have a proposal for applicable
 - “Shall, if applicable,” is what they want
 - Parties should apply guidance as it fits to their NDC
- Supportive of language on capacity-building
 - Happy to engage
- Double-counting
 - Not to repeat article 6 in our deliberations, however there are important issues to observe
 - Ex applicable of guidance for first ndc if engaging in [?] activities
- Note final point from LMDCs
 - Not our mandate to reflect failure? In

Saudi Arabia

- Want to see in draft text proposal this afternoon
 - Recall article 27 before entertain discussion of elements
 - Do not support ____
- Features
 - Should discuss features in comprehensive manners
- ICTU
 - Delete objectives
- Accounting
 - Delete objectives
- Fairness and Ambition
 - See how parties interpret 4.4 4.6
 - Nationally determined
- Do support ICTU and Accounting incorp. Methodology
 - For parties with no emissions reduction mitigation targets to be able to use diff methods, diff things for accounting and ICTU

Iran

- Support China statement about LMDC - we support capacity building statements made by many parties yesterday
- Any NDC outcome we'll discuss should be focused on the main element
- In the formulation of the NDC doc - should focus on article 3 that clearly says we should consider mitigation, adaptation, means of implementation
- Unfair to open door for one element and close door for another
- For implementation nationally, we need support and to focus on the main elements - article 3 that clearly defines NDCs and their implementation - so let's go to next iteration their reflection or main elements

Co-facilitator

- Marshall, Brazil, China, Ukraine just put flags up but we're out of time here

- Final comments - good discussion, second consultation 5 pm in meeting room 1
- Informal consultations: 11-1 in room 16 and 1:30-4 pm in room 20
- New iteration hopefully around lunch time that shows what we have so far
- 'Please don't go off and have a party' - work until 5 pm

Follow-up:

Afternoon session

Update: updated text was released prior to afternoon session ->

https://unfccc.int/sites/default/files/resource/APA11_7_DT_i3.pdf