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GENEVA HIGHLIGHTS: THURSDAY, 12 FEBRUARY 2015

On Thursday morning and afternoon, the ADP contact group on item 3 (implementation of all the elements of Decision 1/ CP.17) convened. In the morning, informal consultations took place on streamlining.

ADP CONTACT GROUP

WORKSTREAM 2: On Thursday morning, the ADP contact group addressed workstream 2 (pre-2020 ambition). Mali, for the G-77/CHINA, supported by China, for the LMDCs, called for a comprehensive approach addressing all building blocks of pre-2020 action, following three permanent and parallel tracks: accelerated implementation process; technical expert process; and high-level engagement.

The LMDCs emphasized that the pre-2020 ambition gap would not exist if developed countries had committed to reducing their GHG emissions by 40% below 1990 levels by 2020. With MEXICO and the Maldives, for AOSIS, and Colombia, for AILAC, he urged parties to ratify the Doha Amendment to the Kyoto Protocol. NICARAGUA lamented the current "lost decade" concerning mitigation, finance and vision. SOUTH AFRICA urged parties to revisit pre-2020 mitigation commitments already on the table and called for a process to consider increased developed country ambition. AILAC called for: scaling up of finance; focusing on sustainable development co-benefits; and high-level engagement.

The US urged delegates to focus on the workplan agreed in Lima for workstream 2. AUSTRALIA expressed reservation about proposals to consider paragraphs 17-18 of Decision 1/ CP.20 (Lima Call for Climate Action) in detail, while SOUTH AFRICA stressed the importance of advancing this work.

Several parties, including JAPAN, NEW ZEALAND and the US, emphasized the role of existing institutions. The EU highlighted progress made, including on finance, indicating that the US\$100 billion mobilization includes multiple sources. NEW ZEALAND stressed multiple channels for public finance in addition to the GCF.

NEW ZEALAND highlighted renewable energy and energy efficiency, and, supported by SWITZERLAND, proposed addressing policy options for energy sector fiscal instruments. BRAZIL called for a TEM on how to recognize the social and economic value of voluntary mitigation activities and

translate their results into units of financial value. MEXICO stressed the need to translate TEMs into implementation of new projects. Supported by SWITZERLAND, he proposed regional or sub-regional TEMs to focus on specific projects that can be replicated through support from the GCF or bilateral cooperation. SAUDI ARABIA said TEMs should include consideration of adaptation co-benefits. He suggested TEMs on water desalination; economic diversification; desertification; marine protection; urban planning; and loss and damage. SOUTH AFRICA emphasized the need for clear links between TEMs and existing institutions, such as the GCF and Adaptation Fund. NORWAY suggested that TEMs focus not only on adaptation, but also on health and sustainable development

STREAMLINING: In the morning contact group, Co-Chair Djoghlaf reported on his informal consultations, highlighting streamlining proposals by Australia and Argentina, for the LMDCs.

In the afternoon, parties discussed the way forward with respect to the text and streamlining. Drawing conclusions, Co-Chair Reifsnyder indicated that the Geneva text will not be changed, apart from parties' corrections to proposals already made, to be submitted to the Secretariat by 6 pm on Thursday. He said the text will be translated and circulated to parties, and noted that streamlining proposals and additions can be introduced in June. On parties' request for more ambition in Geneva, he noted that parties have "too many concerns" over streamlining and said no further informal consultations on this will be held. He emphasized that "what you will have tonight is the text."

CYCLES: Parties then exchanged views on the question of cycles in the new agreement.

Saudi Arabia, for the ARAB GROUP, emphasized that the cycle must be linked to reviewing ambition and implementation of all six elements under the Durban mandate, and called for differentiation in the cycle for developing countries.

The EU noted that mitigation and adaptation commitments must be addressed differently. She indicated that all parties must maintain a mitigation commitment at all times, reviewed and regularly strengthened. She called for a simplified amendment procedure that does not require ratification. The RUSSIAN

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FEDERATION cautioned that adopting timeframes may "backfire" or cause "backsliding" and called for avoiding quasilegal procedures for adjustment.

BRAZIL noted that the finance component of the contributions is restrained by national budgetary cycles, as well as GCF and GEF replenishment cycles. On mitigation, he called for an approach based on two consecutive terms, with a five-year contribution having its final legal form and an indicative contribution for the subsequent five-year period, sending a longer-term signal to the private sector. He warned against requiring progressively more ambitious contributions, saying this could lead to low ambition in the first term. BRAZIL also proposed that the 2015 agreement include review provisions on aggregate progress towards the global target, as well as provisions concerning individual levels of ambition in the section on compliance.

JAPAN called for a ten-year cycle as a signal to investors, and expressed willingness to consider a mid-term review focused on enhancing and understanding contributions. Chile, for AILAC, proposed that the scope of contributions be defined clearly in the new agreement providing different nuances to mitigation, adaption and MOI. SWITZERLAND reminded that, in Lima, parties agreed to allow submissions of INDCs with different timeframes. He suggested that harmonization can be agreed for the second set of commitments and that all parties will submit subsequent commitments at the same time.

CHINA suggested a ten-year cycle focusing on enhanced ambition in 2020-2030 to build trust, during which: developed countries take the lead on emission reduction and provide MOI to developing countries; and developing countries follow that leadership, using MOI to increase their level of ambition in mitigation and adaptation. He stressed the importance of domestic cycles and said developing countries will conduct domestic reflections on their enhanced actions. CHINA also identified the need for a comprehensive approach and holistic link between the agreement's different elements.

The US supported five-year cycles, expressing preference for synchronizing parties' national cycles, so as to garner public attention to drive ambition. He expressed reservations against the idea of a 2030 target that will be revisited in five years, saying that experience shows that countries that have gone through the national process are reluctant to review ambition.

MEXICO emphasized the need for assessing progress along the way and supported *ex ante* review of commitments, as proposed by AILAC. Belize, for CARICOM, supported five-year cycles, with the first cycle beginning in 2020. He also called for turning INDCs into legally binding commitments, taking into account the special circumstances of SIDS and LDCs.

INDIA called for INDCs addressing all elements of the agreement with differentiated information for developed and developing countries but with identical timeframes. He opposed *ex ante* reviews of INDCs. IRAN indicated that the cycle process has to be conditional on support from developed countries. SAUDI ARABIA highlighted the complementary nature of mitigation, adaptation and MOI, stressing that cycles should take into account all three. MALAYSIA called attention to the increasingly strong link between mitigation activities and adaptation.

Tuvalu, for the LDCs, called for parallelism in the cycles for mitigation and MOI, noting that if LDCs are to contribute to mitigation, support for their efforts must be provided in parallel. Supporting five-year cycles, the LDCs emphasized that countries can increase their contributions in the middle of a cycle. The MARSHALL ISLANDS called for flexibility in the adaptation cycle given the need to reflect local and national priorities.

ADP INFORMAL CONSULTATIONS

In the morning, ADP informal consultations took place, focusing on duplications in the revised text. The work was based on the understanding that the proposals made in informal consultations will be considered in the contact group and included in the Geneva text only if all parties agree.

A group of parties agreed to hear proposals but said they were not ready to react to them. A party suggested slowing down the pace of discussions, but reminded that "breaking after each proposal to consult before reactions" would not be possible in view of the negotiations throughout the year. A group of parties indicated that one of their proposals could be deleted. Another group of parties emphasized that a deletion requires that all parties agree. One party explained that their delegation refrained from making structural suggestions even though they would streamline the text. Some parties stressed that the discussions would not define the structure of the agreement.

IN THE CORRIDORS

The key question for many delegates arriving at the Palais des Nations on Thursday was whether to proceed with streamlining of the Geneva text or accept what had already been achieved. The ADP informal consultations in the morning started with two apparent "scores" by the LMDCs and Australia, as both agreed to withdraw some of their proposed additions to the text. Some other delegates felt, however, it was better to call "offsides" and ensure that the Geneva text would be taken home without adding or deleting anything. This was perceived as a necessary reassurance that parties are "all on one team."

As it became clear that no changes would be made to the Geneva text, delegates started thinking about what they might still achieve. Many seemed happy with what they characterized as productive discussions in the afternoon on cycles in the new agreement: "We are definitely heading in the right direction," explained one delegate, "moving into a more interactive exchange of ideas."

In anticipation of Friday, many delegates said they hoped to reach clear agreement on how to start working on the text at the next ADP session in Bonn. "We want to get straight to work in June," said one negotiator.

ENB SUMMARY AND ANALYSIS: The Earth Negotiations Bulletin summary and analysis of ADP 2-8 will be available on Monday, 16 February 2015 online at: http://www.iisd.ca/climate/adp/adp2-8/