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**Climate Change: End-of-Meeting Report: 24th Conference of the parties, 2-15 December, Katowice, Poland**

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction codes:

- 6(a): to avoid prejudicing the international relations of the New Zealand Government;
- 9(2)(g)(i): to protect the free and frank expression of opinions by departments;
- 9(2)(j): to avoid prejudice to negotiations.

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1 The 24th Conference of the Parties (COP24) to the United Nations Framework Convention on Climate Change (UNFCCC) convened on 2-15 December 2018 in Katowice, Poland. The New Zealand delegation to the meetings was led by Minister for Climate Change James Shaw.

2 New Zealand’s priorities at COP24 were to ensure:
   - New Zealand positioning as a global leader on climate change was affirmed;
   - The Paris Agreement Work Programme (PAWP) outcome was concluded at the COP and broadly consistent with New Zealand’s interests;
   - New Zealand leadership on agriculture was strengthened;
   - New Zealand leadership on environmental integrity of carbon markets was reaffirmed;
   - Defensive New Zealand interests were managed;
   - New Zealand stood with the Pacific.

The “Paris rulebook”

3 The essential outcome of this meeting was the delivery of the Paris Agreement Work Programme (PAWP), the treaty’s critical implementation guidelines. Crucially, the Paris Agreement’s transparency framework – the backbone of a treaty based on bottom-up, nationally determined, emissions reduction commitments – contains reporting rules applicable to all. This reporting will track progress toward targets by all Paris Agreement parties, including emerging economies such as China, whilst providing flexibility for deviation from agreed reporting scope and frequency, and capacity building, for those who need it. The Paris understanding that nationally determined contributions (NDCs) should all contain a mitigation element was retained. Parties’ reporting on progress toward their NDCs will be reviewed by experts. Those reports will in turn be considered by the Paris Agreement’s compliance/implementation committee, helping to shore up countries’ accountability.

4 Guidelines for reporting on climate finance push the outer limits of the information donors such as New Zealand can provide. Countries also found themselves locked into starting discussions on a post-2025 finance goal as early as 2020.

Environmental integrity in carbon markets

5 The COP’s greatest disappointment was the failure to agree guidance for use of carbon markets (a central market mechanism, cooperative approaches and non-market approaches under Article 6 of the Paris Agreement). To help facilitate the political landing on carbon markets, Minister Shaw was shoulder-tapped to work with his Chilean counterpart. Undertaking what ultimately became one hardest jobs of the COP, the Minister worked tirelessly alongside like-minded political partners on markets including Canada, the EU and Latin American countries. Notwithstanding extensive diplomatic
and political efforts — and a full day of overtime after the COP’s scheduled conclusion, Parties ultimately secured only a procedural outcome on this issue.

6 Despite this blow, our visibility in the effort to secure an outcome bolstered New Zealand’s standing at the forefront on environmental integrity in carbon markets. The leadership of Minister Shaw and the New Zealand team at COP24 was the culmination of three years of thought leadership on carbon markets, including our work through the Ministerial Declaration on Carbon Markets and hosting of a workshop on non-market approaches this year. The New Zealand markets team has highly effective relationships and deep credibility across negotiating groups as a champion of environmental integrity. 

New Zealand leadership

7 New Zealand’s ongoing leadership across the broader climate change process was clearly evident at this COP. 

We were highly sought after speakers in a wide range of technical and ambition-related events. In the addition to the leading role of our Minister and international carbon markets team, Climate Change Ambassador Jo Tyndall completed her task of shepherding through the work programme, concluding three years as APA co-Chair and working behind the scenes supporting the Polish Presidency to bring the package together. New Zealand’s Helen Plume was once again appointed as co-facilitator of a negotiating item relating to developing country reporting under the UNFCCC.

8 This meeting also saw New Zealand advance its own unique brand both within and outside the negotiations. Iwi representation on the delegation (Iwi Chairs Forum representatives Mike Smith and Hinekaa Mako) provided New Zealand with a strong presence on the Local Communities’ an Indigenous Peoples’ Platform. New Zealand interest in this issue was strong, with a delegation from Te Ara Whatu, the only indigenous youth delegation at COP24, engaging very actively.

New Zealand’s intervention as the decision operationalising the Platform was gavelled through made a strong statement of support.

9 New Zealand’s bi-partisan and all-of-society approach to climate action was reflected in the composition of the broader delegation, including National Party climate change spokesperson Todd Muller, an Environment NGO representative, CTU President Richard Wagstaff, officials from the Treasury’s Green Investment Fund, as well as agriculture sector representatives (see below). We used this breadth of representation to effectively tell our domestic story, including the importance of a just transition.

10 New Zealand’s place amongst the progressive voices on climate change was further entrenched through Minister Shaw’s engagement with partners in the Carbon Neutrality Coalition
and High Ambition Coalition, as well as at negotiator level through the Cartagena Dialogue for Progressive Action and amongst Friends of Fossil Fuel Subsidy Reform. We endorsed the Polish Presidency’s 3 COP offerings: the Solidarity and Just Transition Silesia Declaration; the Driving Change Together – Katowice Partnership for E-Mobility and the Forests for Climate Declaration; joined a High Ambition Coalition Statement on Stepping up Climate Ambition (and associated press statements), and endorsed the Talanoa Call for Action.

Standing with Pacific...

11 Standing with our region gave New Zealand the chance to further underscore our unique voice and commitment to ambition. This manifested most clearly in our advocacy for strong recognition of the IPCC Special Report on 1.5°C – a cause dear to the hearts of Small Island Developing States. We also supported a meaningful outcome from Talanoa Dialogue, a key legacy of Fiji’s COP23 Presidency, a process intended to increased global ambition. Our concrete efforts to do so were noted and appreciated. We worked closely with Pacific negotiators to ensure the controversial issue of and damage from climate change impacts was included in the rulebook in a way that could be accepted by all countries, and that the transition of the Kyoto Protocol’s Adaptation Fund to the Paris Agreement was ensured.

12 Part of a New Zealand grant to Fiji to support its COP23 Presidency was used to establish a “Pacific and Koronivia” Pavilion, which became a magnet for delegates for the region and site for a range of side events related to regional issues. Our well-advertised support for the Pavilion, as well as our announcements of a $3 million contribution to the Adaptation Fund and a $1.5 million contribution to support the establishment of the Pacific Regional NDC Hub, were widely acknowledged and highly commended. That appreciation flowed through to a roundtable with Pacific Leaders, Ministers and senior officials on the COP’s penultimate day provided a platform for the region to air concerns with a process that too often shuts out smaller voices in the end game, sharing Pacific priorities and seeking New Zealand’s insights and support.

13 Our efforts to support and advocate on behalf of the Tokelauan representatives on our delegation were very gratefully received, and served to reinforce our credentials with the Pacific officials and ministers.

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POLU-386-2786
16 The strong stance of New Zealand and other progressive countries in support of 1.5°C also led to divergence with another long-time partner: the United States. A plenary battle about whether the report should be “welcomed” or “noted” by the COP exposed the US as part of a bloc of countries including Russia, Saudi Arabia and Kuwait; countered by the 192 other countries who stood up for the report and its message.

17

Agriculture leadership

18 Showcasing New Zealand leadership on agriculture and climate change was a major objective for our COP24 engagement. The centrepiece of this was the three-day Action Agriculture suite of sessions, co-hosted by New Zealand and partner countries Ireland, France, Australia and the Netherlands. The side event raised the profile of the innovative measures New Zealand is taking in the agriculture sector, providing a forum to demonstrate the ‘triple win’ of increasing productivity, enhancing resilience and reducing emissions. The event was supported by a seven-strong agribusiness delegation, providing them with insight into the negotiation process, contacts with agriculture sector representatives from across the globe, and exposure to international research and innovation to bring back home. We also participated in the Climate and Clean Air Coalition’s High Level Assembly, once again pushing forward the conversation about the Coalition’s engagement on agriculture.

19 Under the Koronivia Joint Work on Agriculture agenda item, our voluntary contribution to the UNFCCC in support of a workshop was welcomed but a clear mandate to hold the workshop in New Zealand in 2019 proved out of reach at this meeting. §9(2)(j)

Further discussion at the June 2019 session will be required to secure the clean mandate that is needed to convene the workshop, potentially in 2020. §9(2)(j)

20 The COP also presented an opportunity to advance a number of objectives of the Global Research Alliance (GRA). The announcement of the winners of the New Zealand-funded PhD scholarship programme ‘CLIFF-GRADS’, and the presentation of a recently established agricultural MRV platform designed to provide practical guidance to countries for how to improve their livestock
greenhouse gas inventories, provided good visibility to the work that New Zealand does to support capability building in developing countries. Uganda, Ethiopia and Pakistan were encouraged at Ministerial level to join the GRA and discussions progressed as to how the GRA could provide a platform for accelerated land sector ambition in the context of the UN Secretary General’s Climate Change Summit in September 2019.

COP25

21 With Brazil having withdrawn its offer to host COP25 just days before the Katowice meeting kicked off, the contest within GRULAC to host has been resolved in Chile’s favour, with Costa Rica to host next year’s pre-COP. We understand Chile is considering dates in January 2020, to avoid undue proximity to its APEC hosting responsibilities.

Comment

22 This “Paris 2.0” meeting was seminal: as a bellwether of the health of multilateralism; confirmation of global resolve to up the ante in responding to climate change; and embedding New Zealand’s position as a global leader on climate change. The outlook is positive: bifurcation was staved off in the enduring architecture of the rulebook. An increasingly important group of developing countries are committed to ambitious action under a single rule set. New Zealand’s leadership is clearly acknowledged, as was evident in the role entrusted to the Minister, the ever-strengthening Pacific relationships, the success of the Action Agriculture event, and our contributions to rule book (and APA process to deliver it).

23 There will be challenges ahead, naturally. Geopolitical hurdles to delivering on the promise of the Paris Agreement are clear, and the depth of some governments’ commitment to the global effort is uncertain. The hiccups at the final hurdle in COP24 point to a need for better preparing the ground (to extent possible) throughout 2019 for a good outcome on carbon markets next year, seeking to explore limits of diplomacy, rather than waiting until the last minute.

23 Overall, though, the fact the UN system was able to land the technical rules to implement the Paris Agreement will send an important political signal: the international rules-based order can still deliver. The COP24 result confirms to the world that momentum on climate change is irreversible, despite speed wobbles borne of a changing political climate in some countries. There is no question the leadership of countries like New Zealand is critical, nor that it is making a different to shaping prevailing international norms. We will, again, face a busy next year.
Mitigation

After nearly three years of slow, highly politicised negotiations, the mitigation section is a good outcome. Our mandate required an approach to allow national determination of accounting approaches, consistent with the Paris Agreement’s set of principles designed to ensure environmental integrity and full transparency. This has been achieved, though we would have welcomed some more detail in the accounting guidance. New Zealand’s particular interests around land sector accounting are protected.

The information and accounting guidance apply for second and subsequent NDCs, consistent with our objective. The information guidance may optionally be applied when submitting enhanced NDCs in 2020 and accounting for them in the period to 2030 - which will be mandatory for those using market mechanisms (decision in Article 6 outcome). \[ \text{s6(a)} \] there will be reviews of both sets of guidance, but in 2027/8, too late to inform the second round of NDCs (submitted in 2025, operational from 2031).

The major hole in the mitigation text is avoidance of double counting. A single vague reference decides that in accounting Parties shall ensure the avoidance of double counting. There is no guidance, and no reference to a corresponding adjustment, a step back from the Paris decision. However, the matter is addressed under the transparency framework, \[ \text{s6(a)} \] and includes the requirement to make an adjustment when transferring for a use beyond achievement of an NDC (to take account of CORSIA, the international aviation offsetting scheme).

Importantly, we have avoided bifurcation of the guidance - that is, there is equal legal force for all parties to apply it, while the specific elements may vary according to the nature of the NDC. This is the fundamental balance at the heart of the Paris Agreement, which if not respected would have rendered it ineffectual.

The scope of the guidance has also been appropriately restricted to mitigation, although there is recognition that Parties may include adaptation, finance and other matters, with guidance found in other sections of the PAWP. Reporting on the impact of response measures is limited to parties with NDCs containing mitigation co-benefits of adaptation - currently only Saudi Arabia.
On the human rights and gender mandate, we supported calls for appropriate recognition of indigenous and other rights in the text, and there is some reflection of it in the guidance for describing NDC planning processes. We also worked with Pacific and AOSIS colleagues on strengthening environmental integrity.

**Mitigation: Forestry and land-use accounting**

The Paris rules on NDC accounting and tracking (i.e., reporting on achievement) maintain New Zealand’s ability to apply its proposed NDC forestry approach in the current and future contribution periods. The rules endorse Parties’ ability to draw on the previous Kyoto Protocol rules for forestry, and specifically allow Parties to accommodate age-related effects in forests. 59(2)(g)(i)

The rules on NDC reporting also endorse our ability to account for all of the harvested wood products we produce and export (a ‘production’ approach) — though flexibility for Parties to adopt other approaches means some risk of global double counting remains. Combined with clear obligations on Parties to account consistently with greenhouse gas inventories, the rule book provides a strong basis overall for effective forestry and land use accounting in the future — an outcome that reflects several years of outreach amongst Parties to ensure the useful and high-integrity approaches developed under the Kyoto Protocol can continue to be drawn on under the Paris Agreement.

**Common timeframes**

The common timeframes decision is consistent with our mandate. The common timeframe for NDCs will apply to those commencing implementation in 2031, but work will continue to agree what the timeframe(s) will be by 2023. The idea that they might be nationally-determined has gone, but it seems unlikely that a single number will emerge: expect “5 or 10”. There are helpful suggestions that 10-year NDCs should have a 5-year waypoint, and unhelpful suggestions that Parties should submit 2 NDCs at once and update the more distant one after 5 years (and only in one direction).

**Adaptation**

*Adaptation Communications*
Negotiations focussed on creating further guidance in relation to the adaptation communication, including, inter alia, as a component of nationally determined contributions, referred to in Article 7, paragraphs 10 and 11, of the Paris Agreement. Parties can use these adaptation communications to describe, for example, priorities in adaptation-related actions, implementation and support needs, and plans and actions.

The outcome was largely acceptable, with the Decision preserving non-mandatory nature of adaptation communications under the Paris Agreement. In particular, adaptation communications are pleasingly:

- not bifurcated, except in one benign optional element of the guidance on “implementation and support needs of, and provision of support to, developing country Parties”;
- discretionary and non-prescriptive, with Parties retaining sufficient flexibility to use their document of choice, include both ex ante and ex post information, and determine the content based on all elements of the guidance, without there being a hierarchy of elements;
- not due at a given time, although Parties are invited to submit adaptation communications in time for Global Stocktakes; and
- funded only in line with existing mandates of the Global Environment Facility, consistent with the optionality of adaptation communications.

s6(a), s9(2)(g)(i)

the UNFCCC’s Adaptation Committee will create voluntary and supplementary guidelines, which will be considered thereafter through an existing Subsidiary Body on Scientific and Technological Advice agenda item.

The actual technical guidance for adaptation communications is disappointing; it only comprises a handful of minimalist headings. While New Zealand can draw on these headings to complete adaptation communications in future, we are likely to look elsewhere for more substantive guidance. This may include the newly developed (at COP24) adaptation-related guidelines contained in broader guidelines for the Transparency Framework.

*Adaptation Committee and the Least Developed Country Expert Group (LEG)*
Negotiations considered the Adaptation Committee and LEG’s recommendations on paragraphs 41, 42 and 45 of decision 1/CP.21[1], contained in report FCCC/DB/2017/14/Add.1, and which are often referred to as "mandates". These were rejected at, and negotiated after, COP23 because developing country Parties instead sought:

- additional adaptation work and resourcing to help develop methodologies and modalities on adaptation; and
- stronger connections between the Adaptation Committee/LEG and the Global Stocktake.

The outcome at COP24, \(s^9(2)(g)(i)\)

recommends the continuation of the Adaptation Committee and LEG, along with other adaptation-related institutions under the UNFCCC, to serve the Paris Agreement. It also ensures appropriate tasking of institutions, including a request to the Adaptation Committee to engage with the Intergovernmental Panel on Climate Change’s (IPCC) Working Group II and to prepare a technical report on the applicability of adaptation needs methodologies. This is unlikely to burden the IPCC’s currently full work programme (on the Sixth Assessment Report).

The outcome further does not require anything of New Zealand, except includes some calls for resourcing to assist developing countries to undertake adaptation planning.\(s^9(2)(j)\)

- a request to the UNFCCC’s Secretariat to prepare a specific report summarising the recognition of developing countries’ adaptation efforts, drawing on the synthesis report and outputs of the Global Stocktake; and
- an assessment of support needs for adaptation of developing country Parties around adaptation, grounded in the Global Stocktake.

*The Nationally Determined Contribution and Adaptation Communication Public Registries*

Parties considered two agenda items on creating online public registries to house NDCs (Article 4) and adaptation communications (Article 7) in Subsidiary Body for Implementation sessions.
Past negotiations have debated whether to have two separate registries or one registry for both communications. Some Parties\textsuperscript{56(a)} saw the former as providing symbolic parity of mitigation and adaptation, while others utilised public registries as a stalling tactic to try broaden the scope of NDCs \textsuperscript{56(a)}.

The question of ‘one registry or two’ was resolved in line with New Zealand’s pragmatic position; the UNFCCC Secretariat will create a registry portal with two parts, comprising NDCs and adaptation communications, by June 2019. In addition, this registry portal will constitute an archive, which matches our view that all previous versions of documents should be displayed as a matter of public record.

Some drawbacks of the outcome are that the registry portal does not explicitly include a search function \textsuperscript{56(a)} and that a prototype will be the precursor to, and hold up an agreement on, a permanent registry portal until COP25. This may practically inconvenience New Zealand in the interim.

**Global Stocktake**

Parties had a significant task at COP24 to agree the sources of input and the modalities for the operation of the global stocktake. Coming into COP24, it was essential to dramatically simplify an overly engineered text on the global stocktake, which had been exacerbated by the insertion of problematic elements regarding scope and the operationalisation of equity.

New Zealand’s main interests were to ensure a high level decision that did not undermine the potential to increase collective ambition and, more specifically, to assist with providing a constructive landing zone on scope. Securing the inclusion of the consideration of loss and damage within the stocktake was a delicate issue, with a balance required between the calls from many developing countries, including Pacific SIDS, who are affected by the adverse effects of climate change \textsuperscript{56(a)}. Our advocacy within the room and outreach to colleagues outside of the formal negotiations, especially AOSIS, helped influence a final outcome that was acceptable to all Parties. Our efforts to engage with the Pacific were noted and our pragmatic and sensitive approach to varying interests commended.
One of the major hurdles to a successful outcome, the call to operationalise equity on the basis of historical responsibility, was addressed by allowing for the input of information on equity as volunteered in NDCs. Language on gaps and needs assessments landed to be forward looking, aligning with New Zealand’s interests. The final guidance is still too detailed and it remains unclear if the outcome achieves its purpose of effectively establishing a clear process under which the global stocktake will be run. However, there is flexibility in the guidance to refresh and improve the process over time to ensure the global stocktake will deliver as the Agreement’s ambition mechanism.

Transparency

We succeeded in agreeing transparency guidelines that for the most part have common provisions for all Parties. Reporting under the Paris Agreement will commence in 2024 for all Parties, all Parties are to use the IPCC 2006 guidelines for their inventory reporting, and while developing countries can make use of defined flexibilities in light of their capacities, they also have to report on how they will improve their reporting (including estimated timelines for this).

There is a clearly defined end-point for the existing MRV system under the Convention as well as a phasing out of national communications as separate reports. This meets New Zealand’s objectives of having a robust (enough) transparency system that does not place undue burdens on Parties or the secretariat.

The MPGs contain clear reporting guidance to Parties on greenhouse gas inventories, tracking progress towards NDCs, impacts and adaptation information, the provision of support and on support needed and received. The reporting on the use of internationally transferred mitigation outcomes is included in the tracking progress section. For those Parties that want to fully engage in the transparency system, the MPGs provide enough direction for Parties to define their own entry points (on the basis of their capacities), to regularly report and to improve as they go.

The SBSTA has been tasked with developing:

- common reporting tables for the electronic reporting of information (including for greenhouse gas inventories and tracking progress) taking into account existing common tabular formats and common reporting formats;
- outlines of the biennial transparency report, national inventory document and technical expert review report; and
• a training programme for technical experts participating in a technical expert review.

Parties are invited to submit their views on the above three areas of work by 31 March, 2019.

**Compliance and Implementation**

Parties were tasked to agree the rules and procedure for the operation of the Article 15 Committee, which has a mandate to promote compliance with and facilitate implementation of the provisions of the Agreement.

We came away with a good outcome, with both a self-referral mechanism and a Committee trigger for consideration of issues. The scope of the Committee initiation is twofold: automatic consideration when a Party has not complied with one of the key procedural obligations under the Agreement (communicate an NDC, report under the transparency framework etc), and a discretion for the Committee to initiate consideration when there are persistent and significant inconsistencies between a Party’s reporting and the transparency framework’s MPGs, based off the outputs of the technical expert review process. The measures of the Committee are relatively weak and non-binding – expectantly so given the non-punitive, non-adversarial, facilitative nature of the Committee. However, the lack of bifurcation in the modalities, the Committee’s broad scope, and its ability to report to the CMA should allow for the Committee to effectively bolster the transparency framework of the Agreement.

**Finance/Means of Implementation**

*Identification of the information to be provided by Parties in accordance with Article 9, paragraph 5, of the Paris Agreement*

While the mandate under the work programme called only for Parties to identify the ex-ante financial information on projected finance levels to be provided under Article 9.5, the PAWP package was for developed country Parties to agree to prescribed modalities for the communication of the information.

Modalities for communicating information starting in 2020 include a dedicated web portal, compilation and synthesis report, biennial in-session workshops and ministerial dialogues. Reporting parameters (information elements) will be reviewed at CMA6.
New Zealand must communicate its first Article 9.5 submission in 2020, taking over from the pre-2020 strategies & approaches submissions under the UNFCCC. ENV and DST staff involved in negotiation of the guidance are to develop a guide for practitioners to convey the intent of the provisions, as some of the drafting is imperfect.

**Modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, of the Paris Agreement**

Modalities for enhanced transparency of finance reporting, including elaborated guidance on avoiding of double counting and reporting on multilateral and mobilised finance, were agreed and are integrated into the MPGs for the enhanced transparency framework. These modalities are applicable to developed countries and other Parties providing support in accordance with Article 9.7. Common tabular formats are to be developed through a forward work programme.

The new financial reporting guidance will apply to New Zealand from the first biennial transparency report (BTR) in 2024. The granularity of information required will make at least the first report a significant exercise for New Zealand. Enhanced reporting parameters may start to be reflected as of the 2019 Biennial Report to ensure a gradual on-ramp. ENV and DST staff involved in negotiation of the guidance are to develop a guide for practitioners to convey the intent of the provisions, as some of the drafting is imperfect.

**Matters relating to the Adaptation Fund**

The Adaptation Fund will serve the Paris Agreement exclusively when ‘share of proceeds’ (i.e. a levy on units traded) is available from the Article 6.4 central market mechanism. Board membership will be updated to reflect Paris Agreement parties.

This outcome delivers on the New Zealand mandate on exclusivity and sources of funding, s9(2)(g)(i)

The mandated changes to Board membership and operating modalities will help ensure the Fund is fit for purpose under the Paris Agreement, a key consideration given New Zealand’s $3 million contribution to the Fund announced at COP24.

**New collective financial goal**
This item was not originally mandated for any formal outcome at this COP, however it ended up being used to bolster the finance package and get the work programme over the line. Parties agree to have a high level political discussion on the process to establish the post 2025 collective goal, using the current $100 billion goal as the floor from which the goal should be set.

Markets

Article 6 of the Paris Agreement

Our objectives were:

- 6.2 a robust accounting system and reporting guidance that requires Parties to demonstrate environmental integrity;
- 6.4 a credible step forward in making the 6.4 mechanism operational, including ensuring robust accounting for it; and
- 6.8 a work-programme (and home for it), s9(2)(j)
demandeurs, to consider how to:
  o enhance linkages and create synergy between, inter alia, mitigation, adaptation, finance, technology transfer and capacity building; and
  o facilitate the implementation and coordination of non-market approaches

Outcome

A procedural outcome that will see discussion continue next year.

New Zealand’s ability to establish bilateral or plurilateral carbon market linkages is not impeded by this decision. However, it will delay the establishment of a centralised UNFCCC market mechanism that would have been a potential source of supply.

More importantly, guidance on robust accounting and requirements to report on environmental integrity were not agreed. s9(2)(j)

Non-PAWP – KP mechanisms

Our objective was to ensure that any non-PAWP decisions taken in relation to the KP-mechanisms did not prejudge Article 6 negotiations, while also providing useful direction for these mechanisms.
In addition to standard procedural decisions, guidance on the CDM included an encouragement for the EB:

- to review methodologies relating to biomass cook-stove projects (an ask of AGN);
  and
- provide a comprehensive report on its budget and projections until the end of 2023 (an ask of the EU to highlight the approx. $40M surplus the EB has available – ahead of biennium budget discussions next year, and potential decisions for funding the 6.4 mechanism).

Minimal direct relevance – we had a defensive interest in ensuring no prejudice to Article 6 discussions. The encouragement for a comprehensive financial report is useful.

\( \text{s9(2)(j)} \)
Non-negotiations – Environmental integrity

Our objective was to release our work on the Ministerial Declaration on Carbon Markets, to inform negotiations and reinforce New Zealand’s leadership on environmental integrity in carbon markets.

Outcome

The work was released, and initial reactions have been positive. This includes non-Declaration Parties including ideas from this work in text proposed by them in the negotiations. The work has also been positively received by countries exploring Article 6 piloting; resulting in offers to share and review material we are each working on regarding environmental integrity assessment and criteria.

Relevance to New Zealand

This work has reinforced New Zealand’s position as a leader on environmental integrity in carbon markets.\textsuperscript{S9(2)(i)}

Offers to informally collaborate with officials in other jurisdictions that are piloting Article 6 activities may provide tangible help to the development of our New Zealand ‘rulebook’ on environmental integrity.

\textbf{Loss and Damage}

Under Article 8 of the Paris Agreement, the Warsaw International Mechanism on Loss and Damage Associated with Climate Change Impacts (the WIM) is mandated to address matters in respect of loss and damage.

Negotiations on loss and damage were drawn out with developed and developing countries bringing two different sets of priorities into the room.\textsuperscript{S6(a), S9(2)(i)}

The report of the WIM – the place where loss and damage is actually addressed under the Paris Agreement – was relatively uncontroversial, welcoming the annual report of the
Executive Committee of the WIM, the progress made by the Executive Committee in implementing its five-year rolling work plan, and the report of the Task Force on Displacement and its assessment of broader issues of displacement related to climate change.

s6(a), s9(2)(j)

**Capacity Building**

Parties welcomed the 2nd annual technical progress report of the Paris Committee on Capacity building for 2018, and requested the Subsidiary Body for Implementation to thematically align future meetings of the Durban Forum with the annual focus area of the Paris Committee on Capacity Building. For 2019 this will continue the 2018 focus on implementation of NDCs.

**Technology development and transfer**

The Technology Development and Transfer negotiations focused on finalising the Technology Framework in order for it to guide the Technology Mechanism to deliver effective technological solutions to meet Paris Agreement goals. The main aim – apart from producing a strategic and concise framework – was to avoid duplication, prescription and bifurcation and to avoid proliferation of references to support within the text. These objectives were largely achieved. Although perhaps over-ambitious, a more strategic and streamlined Framework has been produced and one that better reflects the mandate and scope of work of the Technology Mechanism.

The negotiations also focused on setting the Terms of Reference for the Periodic Assessment of the Technology Mechanism, in particular assessing the degree to which the Technology Mechanism has effectively and efficiently implemented the Technology Framework referred to above. The final outcome was a relatively lean Terms of Reference, avoiding a protracted independent review process, and keeping the assessment of support provided to the Technology Mechanism relatively contained to the mandate of the Technology Mechanism.
New Zealand was re-confirmed for another two years as a member of the Technology Executive Committee (TEC), the policy arm of the Technology Mechanism, in the Western Europe and Other regional seat. It provides an opportunity to continue to learn about others’ interest in agriculture technology and related finance flows, and to influence work undertaken by the TEC.

Response Measures

Our predominant interest was to ensure New Zealand is seen as a constructive middle player to reorient of the response measures forum to host meaningful discussion, s6(a), s9(2)(j).

Submissions are invited on the next workplan of activities of the response measures forum and the nomination of experts on a regional basis to the permanent TEG – a new institutional body. It is still to be seen if the new forum is able to facilitate productive work on issues relevant to New Zealand, such as implementing just transitions and challenges facing agriculture-dependent economies, and we are well placed to continue contributing to the activities if we wish. The response measures negotiations did not negatively affect New Zealand’s Just Transition narrative at the COP. Prime Minister Arden endorsed the Polish Presidency’s Silesia and Just Transition Declaration, and Minister Shaw and the delegation participated as speakers related events, showcasing New Zealand’s just transition approach to enable ambitious action, including advertising the 2019 Taranaki Summit.

Multilateral Assessment and Facilitative Sharing of Views:

There was a packed schedule this COP with 11 Annex 1 parties (EU, Canada, Estonia, Latvia, Lithuania, France, Germany, Netherlands, Slovakia, Czech Republic and Hungary) and 10 non-Annex 1 parties (Argentina, Bosnia & Herzegovina, China, Jordan, Andorra,
Lebanon, Mongolia, Namibia, Togo and Tunisia) taking part. Each Party gave a short presentation, followed by a question and answer session.

New Zealand actively participated in both the Multilateral Assessment and the Facilitative Sharing of Views, asking questions of the EU, Canada, China, Bosnia & Herzegovina, Slovakia, the Czech Republic and Mongolia. China’s presentation on its first Biennial Update Report drew a packed room, and their presentation was clearly intended to position China as a leader on Climate Change. Other non-Annex I Parties presented on their second Biennial Update Reports, and it was positive to see that many noted the value placed on the process and the lessons learned from their participation in the facilitative process.

**Local Communities and Indigenous People’s Platform:**

This platform was established at COP21, and its functions, structure, governance, and outputs have been decided incrementally since. Parties, with a number of indigenous observers present and active in negotiating rooms, agreed to the governance structure for the Platform. Mike Smith and Hinekāa Mako, Iwi Chairs Forum representatives on the NZ Delegation and Te Ara Whatu, Māori youth representatives (at the COP independently) were active in the negotiations, and the indigenous peoples caucus’ on this issue.

At this SBSTA session a facilitative working group (FWG) was set up to oversee the platform. The FWG will be comprised of 7 party representatives and 7 indigenous representatives, who will meet twice per year and will create a work plan for the platform by the end of 2019, to implement in 2020-2021. Meanwhile, the secretariat will consider how local communities can be represented and will organise a thematic workshop in conjunction with SBSTA 50 on enhancing the participation of local communities in the platform.

The key issues during the session were how local communities should be represented on the FWG, which will be decided as part of a wider review during COP 27§6(a)

. We (based on advice from Iwi Chairs Forum reps and Te Ara Whatu) worked hard to separate the text from indigenous peoples and accepted the outcome out of concerns that otherwise the whole process would be held hostage. Hinekāa Mako delivered a plenary statement which welcomed the establishment of the FWG, and subtly conveyed New Zealand’s concerns about attempts to weaken language on the rights of indigenous peoples.
The FWG and the platform are widely welcomed as a step forward for indigenous peoples participation in limiting greenhouse gas emissions and adapting to climate change. New Zealand was the only Party to have an indigenous delegation member participate in the negotiations and our progressive participation was welcomed by wider stakeholders. Nominations for the FWG will be sought early next year, although it is unclear at this stage if there will be interest from Māori in participating.

**Pre-2020 measuring, reporting and verification**

Several items relating to measuring, reporting and verification in the pre-2020 period (i.e., under the Convention, not the Paris Agreement), were discussed in the past two weeks, with mixed outcomes:

SBI item 3(b): Reporting from and review of Parties included in Annex I to the Convention: Compilations and syntheses of second and third biennial reports from Parties included in Annex I to the Convention: The SBI chair undertook his own consultations on this agenda item which traversed familiar disagreements between Parties on how the content of the compilation and synthesis should be referred to. As a result this item will be on the agenda for the next session of the SBI.

SBI item 3(c): Reporting from and review of Parties included in Annex I to the Convention: Report on national greenhouse gas inventory data from Parties included in Annex I to the Convention for the period 1990–2016: The SBI chair undertook his own consultations on this agenda item on which he failed to reach agreed conclusions, and as a result this item will be on the agenda for the next session of the SBI.


SBI item 4(c): Reporting from Parties not included in Annex I to the Convention: Review of the terms of reference of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention: Because of
broader connections to the transparency outcome under the Paris work programme, the SBI was unable to conclude its work on this agenda item and it was referred to the COP. The COP and CMP decisions on the transparency framework have resolved the issue by giving the CGE a 2 year extension while the SBI has responsibility for designing a replacement for the CGE that is focussed on providing capacity building support to developing countries for their reporting under the Paris Agreement.

SBI item 4(d): Reporting from Parties not included in Annex I to the Convention: Provision of financial and technical support): The SBI Chair undertook his own consultation on this agenda item. Parties were unable to agree conclusions and this item will be on the agenda at the next session.

**Bunkers (i.e. emissions from fuel used for international aviation and maritime transport)**

Similar to SBSTA48, following two informal consultations, parties were unable to reach consensus on draft conclusions. The item will be included in the agenda of SBSTA50.

New Zealand’s objective was to maintain the top-down drive for ambition in ICAO (International Civil Aviation Organization) and IMO (International Maritime Organization) in relation to their respective work streams to address international transport greenhouse gas emissions, while resisting any language calling for bifurcated outcomes, and resisting efforts to unnecessarily open up substantive UNFCCC discussion. To these ends, New Zealand sought a procedural decision limited to commending progress so far, emphasizing the importance of the further work ahead for IMO and ICAO.

s6(a)
Though it was unfortunate that the UNFCCC did not recognize the progress of ICAO and IMO, this was preferable to having a conclusion which opened the door for substantive UNFCCC discussion (which would dilute and confuse IMO and ICAO’s mandates).

Notwithstanding, New Zealand took the opportunity to note the importance of ambitious action by all countries and across all sectors, in order to remain within the 1.5 degree limit; thank the IMO and ICAO for their work; and note there is still much more work ahead.

**Gender**

The Gender Action Plan is in implementation phase, with the negotiations centred on showcasing the process of the GAP so far and Parties’ efforts to implement it. Parties welcomed reports on the Gender balance of constituted bodies and the workshop report held in the Bonn session on increasing participation of women in the UNFCCC process. New Zealand’s contribution to the workshop was captured in the report (on structural equality being important in enabling meaningful woman participation in our delegation), and we made a statement on our support of the GAP and further work being done as part of the Pacific Reset. With the review of the GAP mandated for COP25 and invited submissions, New Zealand should consider consolidating its Gender and Climate Change story to show that the GAP is being effective, while not opening up further avenues for the duplication of similar efforts across other UN processes.

**Agriculture**

Agriculture is the only sector specific item which is negotiated, \( s^{9(2)(i)} \).

This session saw the inaugural workshop of the two-year road map for the Koronivia Joint Work on Agriculture (KJWA) delivered. The work of eight constituted bodies as it relates to the means of implementation for agriculture was presented with a limited discussion among Parties on particular modalities for implementing the outcomes of the KJWA. A report of the workshop will be produced for consideration by Parties at the subsidiary body session in June 2019.

An informal meeting of KJWA was opened and New Zealand sought all-Party agreement to host a technical deep dive workshop on improved livestock management, including
agro-pastoral production systems in support of the road map using the voluntary contribution made to the UNFCCC Secretariat. The contribution and the proposal was well received by Parties who recognised and welcomed our leadership in doing this, urging others to follow suit with financial support for Koronivia. \[\text{s0(2)(j)}\]

A conclusion in the text allows for further consideration of our proposal at SB50 in June 2019. Submissions for the next two workshops in the road map to be held at SB50 are due in May 2019.

**Global Research Alliance**

COP24 presented an opportunity to advance a number of objectives of the GRA. We were able to present two outputs of GRA collaboration with the climate change programme (CCAFS) of the CGIAR: the announcement of the winners of the New Zealand-funded PhD scholarship programme ‘CLIFF-GRADS’, and the presentation of a recently established agricultural MRV platform designed to provide practical guidance to countries for how to improve their livestock greenhouse gas inventories provided good visibility to the work that New Zealand does to support capability building in developing countries.

The GRA Special Representative was also able to meet with ministers from Uganda, Ethiopia and Pakistan to encourage them to become GRA members, meet with the incoming Japanese G20 presidency to align their plans for the annual meeting of agricultural chief scientists (MACS) with GRA activities, and discuss with members of the UN Secretary General’s Climate Change Summit team how GRA could provide an established platform through which accelerated action could be directed as part of the Summit’s pillar focusing on forests, food and land (also being referred to as nature based solutions by some).