

Bonn Climate News Updates

(June 2022)

TWN
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NOTE

This is a collection of 15 articles prepared by the Third World Network for and during the recent United Nations Climate Change Talks – the fifty-sixth sessions of the two subsidiary bodies under the UN Framework Convention on Climate Change, the Subsidiary Body for Scientific and Technological Advice (SBSTA 56) and the Subsidiary Body for Implementation (SBI 56) – in Bonn, Germany from 6 to 16 June 2022.

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Bonn News Update

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6 June 2022

What to expect at the UN climate talks in Bonn

Bonn, 6 June (Meena Raman) – After the Glasgow climate talks held last year under the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement (PA), governments are meeting in Bonn, Germany from 6 to 16 June 2022, to advance further work under the Subsidiary Bodies.

The Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) are holding their 56th session meetings (SB 56) to arrive at conclusions and agreement on various matters, in the run-up to COP 27, which will take place in November this year in Sharm el-Sheikh, Egypt.

Backdrop of the talks

The Bonn intersessional talks are taking place against the backdrop of two recently released reports this year of the Intergovernmental Panel on Climate Change (IPCC) that are part of the sixth Assessment Report (AR 6).

The IPCC's Working Group 2 report on 'Impacts, Adaptation and Vulnerability', which was released in February this year, has been described by the UN Secretary-General (UNSG) Antonio Guterres as an 'atlas of human suffering and a damning indictment of failed climate leadership'.

The Working Group 3 report on 'Mitigation of Climate Change' was released in April this year. The UNSG in response said that 'This report of the IPCC is a litany of broken climate promises. It is a file of shame, cataloguing the empty pledges that put us firmly on track towards an unliveable world,' adding that 'we are on a pathway to global warming of more than double the 1.5°C limit agreed in Paris'. The SG lamented that 'some government and business leaders are saying one thing, but doing another. Simply put, they are lying. And the results will be catastrophic. This is a climate emergency.'

The IPCC's Working Group 1 report on the 'The Physical Science Basis' was released last year, and has been referred to by the UNSG as a 'code-red' for the future of humanity and the planet. That report notes that from 1850 till 2019, approximately 2,390 gigatonnes carbon dioxide equivalent (GtCO₂) of greenhouse gases (GHGs) were emitted, and this was responsible, along with lesser contributions from other GHGs, for an increase in global surface temperatures of about 1.07°C compared to pre-industrial times.

According to some developing country experts, the Working Group 1 report reveals that for a 50% probability of limiting temperature rise to below 1.5°C, the total carbon budget remaining is only 500 GtCO₂ of emissions, and with current emission trends, this will be exhausted within a decade or so, and that global emission databases reveal that developed countries have been responsible for over 60% of these past emissions.

These reports of the IPCC are expected to be cited by negotiators at the Bonn intersessional to bolster their arguments for greater ambition on mitigation, adaptation, addressing loss and damage and climate finance.

Casting a pall over the atmosphere of the talks will certainly be the war in Ukraine, which has serious implications for the climate, especially with many developed countries planning to continue reliance on and expansion in the use of fossil fuels, due to energy security concerns and energy prices.

Some key issues under negotiations

Call for issues to be added to the agenda of the SBs

At the opening of the SB sessions, the adoption of the provisional agendas of the respective bodies is expected to see some fireworks.

The Like-Minded Developing Countries (LMDC) have proposed the addition of two new agenda items for the consideration of the SBs. One is on the ‘Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation’ and the other is on ‘Matters relating to the Glasgow Dialogue on loss and damage’.

- ***The Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation***

In Glasgow last year, Parties decided to establish and launch a comprehensive two-year work programme on the global goal on adaptation (GGA), and it was also agreed that the work programme would be carried out jointly by the SBs.

While provisions have been made by the Chairs of the SBs (Marianne Karlsen of Norway, who is SBI Chair, and Tosi Mpanu-Mpanu of the Democratic Republic of Congo, the SBSTA Chair) to hold an in-session workshop under the work programme that will be conducted from 8 to 9 June under what is called ‘Mandated events’ in the provisional agendas, there is no separate dedicated agenda item on the GGA.

The LMDC proposed a dedicated agenda item on the GGA to enable Parties to consider all relevant matters under it, in addition to the in-session workshop that will be organised. TWN has learnt that the LMDC proposal has received support from all the sub-groups of developing countries, leading to a common position of the Group of 77 and China for the inclusion of this agenda item.

(Normally, every item on the agenda will lead to the establishment of a contact group for the consideration of matters by Parties to advance further work, as per the mandates of previous decisions adopted on the matter. The contact group discussions and negotiations usually lead to conclusions that are agreed to and adopted as further decisions on that matter.)

In the decision adopted at Glasgow, Parties agreed on the objectives of the GGA work programme, which are to:

- (a) Enable the full and sustained implementation of the PA towards achieving the GGA, with a view to enhancing adaptation action and support;
- (b) Enhance understanding of the GGA, including of the methodologies, indicators, data and metrics, needs and support needed for assessing progress towards it;

- (c) Contribute to reviewing the overall progress made in achieving the GGA as part of the global stocktake referred to in Article 7(14) and Article 14 of the PA with a view to informing the first and subsequent global stocktakes;
- (d) Enhance national planning and implementation of adaptation actions through the process to formulate and implement national adaptation plans and through nationally determined contributions and adaptation communications;
- (e) Enable Parties to better communicate their adaptation priorities, implementation and support needs, plans and actions, including through adaptation communications and nationally determined contributions;
- (f) Facilitate the establishment of robust, nationally appropriate systems for monitoring and evaluating adaptation actions;
- (g) Strengthen implementation of adaptation actions in vulnerable developing countries; and
- (h) Enhance understanding of how communication and reporting instruments established under the Convention and the PA related to adaptation can complement each other in order to avoid duplication of efforts.

Hopefully, the issue of including the GGA work programme as a dedicated agenda item will be accepted without objections to advance work on the matter.

- ***Glasgow Dialogue on loss and damage***

The LMDC made a similar call for the inclusion of a dedicated agenda item on ‘Matters relating to the Glasgow Dialogue on loss and damage’, in addition to this being treated as a ‘Mandated event’ under the provisional agenda. TWN has also learnt that this proposal has been agreed to by all developing countries under the G77 and China.

In Glasgow, Parties agreed to ‘establish the Glasgow Dialogue between Parties, relevant organizations and stakeholders to discuss the arrangements for the funding of activities to avert, minimize and address loss and damage associated with the adverse impacts of climate change, to take place in the first sessional period of each year of the SBI, concluding at its sixtieth session (June 2024)’.

Discussions on loss and damage were particularly contentious in Glasgow, with developing countries pushing for a facility for loss and damage finance, while developed countries, especially the US, were firmly opposed to this. The eventual compromise was just to have a dialogue instead of a loss and damage finance facility.

At the present SB session in Bonn, a first Dialogue is being convened over three half-days on 7, 8 and 11 June, which according to the scenario note by the Chair of the SBI ‘will deliberate on and explore the landscape of how the implementation of relevant approaches are, and can be funded under and outside the UNFCCC process...’. The SBI Chair’s note further states that ‘...it is my understanding that the Glasgow Dialogue will focus specifically on arrangements for funding...’ as regards averting, minimising and addressing loss and damage.

Whether the call for a dedicated agenda item to discuss this matter is agreed to remains to be seen.

Santiago Network under the Warsaw International Mechanism for Loss and Damage

Another related matter is the Santiago Network on loss and damage (SNLD) which was established at COP 25, to catalyse technical assistance for averting, minimising and addressing loss and damage in developing countries. In Glasgow, the functions of the SNLD were agreed on and also that funds will be provided to support its functions. It was also decided that at SB 56, recommendations for a decision to be adopted at COP 27 are to be developed on the institutional arrangements for the network.

Global stocktake

The first global stocktake (GST) will take place in 2023, as agreed under the PA to assess the collective progress of Parties in achieving the Agreement’s goals, including on mitigation, adaptation, and the means of implementation and support, in light of equity and the best available science. The issues of loss and damage as well as response measures are also being considered by the GST.

Under the PA, the outcome of the GST is to inform Parties in updating and enhancing their actions and support in accordance with the relevant provisions of the PA. The GST process has therefore been viewed as a ‘ratchet’ mechanism for

enhancing ambition on all elements of action and support.

The GST consists of three components: information collection and preparation, which commenced at SB 52–55; technical assessment, which will start at SB 56 and conclude at SB 58 (June 2023); and consideration of outputs, which will take place at CMA 5 (November 2023).

Mitigation work programme

In Glasgow, Parties had agreed ‘to establish a work programme to urgently scale up mitigation ambition and implementation’ in this critical decade, and requested the SBs to recommend a draft decision on this matter for consideration and adoption by CMA 4 (in November 2022) ‘in a manner that complements the GST’. (The CMA refers to the Conference of Parties to the PA.)

Some developing countries in Glasgow were very concerned with the purpose of the mitigation work programme, when there already exists the GST process, whose outcome is to scale up ambition not only on mitigation but also on adaptation and the means of implementation.

According to the scenario note of the Chairs for SB 56, the scope and modalities of the work programme will be discussed, ‘taking into consideration that the work programme should add value to and complement the GST’.

What exactly the work programme will consist of, and its time-frame and modality, can be expected to be the subject of intense discussions.

Matters on climate finance

In relation to finance, matters on the agenda of the SBI include the following:

- ***The Adaptation Fund (AF)***

The two issues that will be addressed are (a) membership of the AF Board and (b) the fourth review of the AF.

The AF was initially established under the Kyoto Protocol (KP) in 2001. In 2018, it was decided that the AF shall serve the PA. The AF is financed by a share of proceeds from the Clean Development Mechanism under the KP and other sources. It was agreed that once the share of proceeds becomes available under the Article 6(4) mechanism of the PA, the AF shall no longer serve the KP.

On the issue of the membership of the AF, presently, the Board is composed of 16 members and 16 alternates. At SB 56, Parties have to consider the matter of ensuring that developing and developed countries that are Parties to the PA are eligible for membership on the Board. (The United States and Canada are not Parties to the KP but are Parties to the PA.)

On the fourth review of the AF, Parties agreed in Glasgow to undertake the review of the AF in accordance with the terms of reference which were agreed to. Work on this will continue at SB 56.

- ***New collective quantified goal on climate finance (NCQG)***

At CMA 3, Parties agreed to the establishment of an ad hoc work programme on the NCQG from 2022 to 2024, with the conduct of four technical expert dialogues (TED) per year. The first TED was held in March this year, while the second will be held in conjunction with SB 56 on 13-14 June.

The purpose of the work programme is to set an NCQG prior to 2025, taking into account the needs and priorities of developing countries.

At the first TED this year, Zaheer Fakir from South Africa (who is also the climate finance coordinator for the G77/China) said that the new finance goal should be in the range of US\$1-2 trillion. Fakir came to this conclusion after considering the UNFCCC's Standing Committee on Finance's 'Needs Determination Report' which costed the needs of developing countries. (For further details, see <https://www.twn.my/title2/climate/info.service/2022/cc220305.htm>.)

It can be expected that developed countries would resist arriving at any target number for the NCQG at the second TED, despite the availability of information on the needs of developing countries in implementing their NDCs.

The above are among the key issues that will be important to watch at SB 56.

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UNFCCC Subsidiary Bodies launch work after a rough start at talks

Bonn, 7 June (Perna Bomzan) – The 56th session meetings of the Subsidiary Bodies (SBs) under the UN Framework Convention on Climate Change (UNFCCC) launched work on 6 June, following a rough start at the opening of the talks.

As expected, there was a delay in the adoption of the provisional agendas for the SBs and the organisation of work over proposals from developing countries for the additional agenda items relating to the global goal on adaptation (GGA) and the Glasgow Dialogue on loss and damage, two issues of priority for developing countries. The need for balance in the treatment of adaptation and mitigation was stressed several times by many developing countries and their groupings.

While the GGA agenda item was eventually adopted as an additional agenda item to be considered by Parties, the agenda item on the Glasgow Dialogue on loss and damage was kept in abeyance, following a proposal by the Chair of the Subsidiary Body for Implementation (SBI) to conduct informal consultations on the matter among Parties on the way forward, which was agreed to.

Global goal on adaptation

The ‘Glasgow-Sharm el-Sheikh work programme on the GGA’ was established last year at the third meeting of the Conference of Parties to the Paris Agreement (CMA 3). It was also agreed that the comprehensive two-year work programme would be carried out jointly by the SBs under the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

However, the initial provisional agendas of the SBs did not contain a dedicated agenda item on the GGA, which led the **Like-Minded Developing Countries (LMDC)** to submit a proposal on 19 April this year, requesting the

addition of the GGA as an agenda item to fulfil the mandate agreed to in Glasgow.

During the pre-meetings held prior to the official opening of the SB sessions in Bonn, the request of the LMDC for the inclusion of the GGA item drew unanimous support from all the sub-groups of developing countries and was a common position adopted by the **Group of 77 and China**. Some developed countries however were heard to be not in favour of the proposal put forward.

However, before the opening of the SB sessions on 6 June, both the SBSTA Chair **Tosi Mpanu-Mpanu (Democratic Republic of the Congo)** and SBI Chair **Marianne Karlsen (Norway)** held consultations in the morning with the heads of delegation (HODs) that led to a consensus for the inclusion of the GGA as a joint agenda item under the two bodies.

The SBSTA opening was then held first, followed by the SBI plenary.

When inviting Parties to adopt the SBSTA supplementary provisional agenda with the inclusion of the GGA, **Mpanu-Mpanu** informed that the HODs consultations had shown ‘flexibility and willingness by all to move forward’. Subsequently, the agenda was adopted with no objections and with agreement for the inclusion of the GGA agenda item as the ‘Glasgow-Sharm el-Sheikh work programme on the GGA as referred in decision 7/CMA.3’.

When it came to the consideration of the organisation of work, when the SBSTA Chair spelled out that ‘as per general understanding with the HODs’, the informal consultations on the GGA will comprise ‘at least two meetings’, **Switzerland** on behalf of the **Environmental Integrity Group (EIG)** took the floor to state that the agreement was to have ‘two meetings’ only. **Mpanu-Mpanu** in response clarified that his understanding was that there would be ‘at least’ two meetings – one meeting

to open and one meeting to close the informal consultations, implying room for more than two meetings if required.

Zambia speaking for the **African Group of Negotiators (AGN)** expressed support for the SBSTA Chair's proposal, stating that adaptation is 'very important' for the group and that adaptation under the UNFCCC is lagging behind, particularly, the GGA for seven years. It further cautioned that Parties should not be requesting for issues that are clear from decisions taken to be placed on the agenda, adding that 'this should not set a precedent'. It said further that the decision adopted in Glasgow was 'straightforward' and provided for the implementation of the GGA work programme. It stressed that adaptation cannot be delayed, which included mandating further work on the GGA as well as identifying draft elements for decision at the upcoming meeting of the CMA in November in Sharm el-Sheikh, Egypt.

Bolivia for the **LMDC** also fully supported the Chair's 'understanding' of having at least two meetings and elaborated that considering the importance of the discussion it was likely that we may need more than two meetings as there was a need for a 'balanced discussion between all elements of mitigation, adaptation and the means of implementation'. 'We cannot ensure a fair and balanced implementation of the Paris Agreement if we only fulfill one element which is mitigation and undermine all other elements,' it underscored. It also extended appreciation to the G77 and China for supporting the LMDC proposal on this important issue for developing countries.

Mpanu-Mpanu, while urging for flexibility from Parties to move forward, suggested keeping the number of sessions 'demand driven' and 'realistic, and not necessarily restrict it to two'. He further proposed to create more space for consultations in 'inf-inf' mode (informal-informals), if required.

Switzerland however maintained that its understanding was for only 'two sessions' as agreed as a 'compromise' at the morning meeting of the HODs.

Pakistan for the **G77 and China** then took the floor recalling that the Chair had specifically said 'at least two sessions' at the morning HODs meeting and hence, 'if required, there will be more sessions'. It shared that 'when we accepted the compromise, we spoke of balance' and it has to be a 'balance between adaptation, mitigation and loss and damage'. It reiterated not to limit discussions to only two sessions.

Saudi Arabia for the **Arab Group** echoed the G77 and China, the AGN and the LMDC on the importance of ensuring balance across all agenda items and called for 'sufficient time and space' to discuss the GGA agenda item.

China said that Parties were being put in a very difficult situation and recalled that in the spirit of compromise, the LMDC had agreed with the proposal from the Chair and if this could not be agreed to, then it asked the SBSTA Chair to suspend the session to continue discussions to find a solution. It also underlined that the meeting hours for adaptation cannot be 'shorter or less' than those for the mitigation work programme, to ensure a balanced agenda.

Bolivia for the **LMDC** took the floor again and lamented about the lack of balance in the agendas of the SBs, with full space given to some items (referring to the mitigation work programme) and not to issues of priority for developing countries. It clarified its understanding of adopting the supplementary agenda as a package and requested the EIG group to reflect on the priorities of the G77. Bolivia also bemoaned how it was very tiring to fight for balance in the treatment of issues at every session, and urged to initiate discussions in a balanced way.

Brazil for Argentina, Brazil and Uruguay (ABU) underlined that at the morning HODs meeting the agreement was on a 'very delicately worded and carefully crafted compromise' proposed by the Chair who had clearly proposed 'at least two sessions'. It thus expressed dismay that the understanding was being questioned in the plenary. It provided full support to China, the LMDC, the AGN, the G77 and the Arab Group echoing China on the need for a 'perfect balance' among all issues.

Chile for the **Independent Alliance of Latin America and the Caribbean (AILAC)** and **Ghana** in its national capacity called for sticking to the agreement reached at the morning HODs meeting, while **Senegal** for the **Least Developed Countries (LDCs)** pointed out that the proposal of 'inf-infs' would be difficult for small delegations, thus preferring 'more sessions' for the GGA agenda.

Norway was also happy to go along with the Chair's approach to move forward, as was **France** for the **European Union (EU)**.

Following the protracted discussions on the organisation of the GGA work, Parties agreed with the SBSTA Chair's proposal of having 'two meetings with the opportunity for inf-infs'. **Mpanu-Mpanu** also said that further consultations

with the HODs may be convened as well to see if there was ‘appetite for more slots’.

The SBSTA then proceeded to launch its work on the various agenda items as agreed.

Following the SBSTA session, at the SBI opening and adoption of agenda, Chair **Karlsen** proposed the adoption of the supplementary agenda with inclusion of the GGA agenda item, as was done in the SBI.

China then took the floor and wanted assurance that the GGA agenda would be given similar treatment as the mitigation work programme agenda item, to ensure a balance between the two.

Karlsen however urged for the adoption of the supplementary provisional agenda first before dealing with the organisation of work, to which **China** disagreed. **Bolivia** for the **LMDC** supported China while the **United States (US)** expressed objection.

Karlsen stated that the Chairs wanted to ensure ‘coherence’ in the process for joint-items of the SBs and proposed that the agenda be adopted, and the organisation of work to be dealt with later. The SBI supplementary agenda was then adopted with the GGA item included.

When it came to the organisation of work on the GGA agenda item, **China** asked the Chair to link it with the agenda item on the mitigation work programme, in order to allow for more balanced treatment between both issues. It also proposed that a contact group be established to conclude some draft recommendations on the GGA. **Bolivia** for the **LMDC** and **Saudi Arabia** for the **Arab Group** echoed China’s proposal while the **US** expressed objection, saying that mandates for the respective items should be followed and there should not be linkages established, as was being done.

Given the impasse, the SBI Chair suspended the meeting for further informal consultations on the way forward. A second consultation among the HODs was conducted by both the SB Chairs and the matter was eventually resolved with an appeal from the Chairs for Parties to ‘trust’ them on the way forward in the process.

When the SBI resumed, the SBI Chair thanked Parties for the confidence ‘invested in us’ and proposed the organisation of work with informal consultations to proceed on the GGA agenda item with appointed facilitators (one from Ghana, while the appointment of the other is pending). On the mitigation work programme, informal consultations would be carried out by two facilitators from Belize and New Zealand. This was agreed to by Parties.

Glasgow Dialogue on loss and damage

The **LMDC** had also submitted another proposal calling for inclusion of a dedicated agenda item on ‘Matters relating to the Glasgow Dialogue on loss and damage’, similar to the GGA proposal as the mandate was decided in Glasgow under the SBI agenda. (See [TWN Update 1.](#))

The proposal of the **LMDC** drew support from the **G77 and China**, while it has been learnt that developed countries were not in agreement with the proposal.

Following agreement among Parties during the consultations with the HODs on 6 June on the matter, the SBI Chair during the official plenary informed that this proposed additional agenda item would be kept in ‘abeyance’, pending informal consultations by the Chair, with the outcome to be reported back to the plenary at the Bonn session.

In response, **Pakistan** for the **G77 and China** made a statement for the record that the Group accords ‘high priority to the issue of financing for loss and damage’ and that the Group had agreed to the Chair’s proposal of continuing consultations ‘in a spirit of compromise’. It reiterated that the **G77 and China** fully supported the inclusion of the agenda item and was ‘united in its ask for the establishment of a dedicated loss and damage finance facility as an intended tangible outcome of the Glasgow Dialogue on loss and damage’.

Prior to the commencement of the SBSTA opening plenary, the Chair gave the floor to the retiring UNFCCC **Executive Secretary, Patricia Espinosa**, who shared her reflections on her role and experiences in the UNFCCC process. She reminded Parties that mitigation, adaptation, loss and damage and the means of implementation urgently require ‘political level’ interventions in each of these areas in order to achieve a ‘balanced package’. She highlighted that the controversial issue of loss and damage must be addressed constructively and hoped that on means of implementation, there would be a substantial increase in climate finance, in particular adaptation finance, as the lack of finance is seen as an ‘obstacle’ time and again. In closing, Espinosa appealed to all Parties ‘not to lose hope, not to lose focus but to use our united efforts against climate change as the ultimate act of unity between nations’, encouraging all to make the most out of the Bonn SB sessions. She also stressed the importance of multilateralism in addressing climate change.

Many delegations expressed their thanks to the Executive Secretary in their opening remarks at the Bonn session.

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Parties spell out their priorities at Bonn climate conference

Bonn, 6 June (Evelyn Teh, Hilary Kung) – At the joint plenary session of the UNFCCC's Subsidiary Bodies (SBs) which opened on 6 June in Bonn, Germany, Parties expressed their priorities for the SBs, on the road to the 27th session of the COP (COP 27) to be held in Sharm el-Sheikh, Egypt in November this year.

Speaking on behalf of the **G77 and China, Ambassador Nabeel Munir of Pakistan** 'emphasized the importance of balanced progress during SBs across all issues, including adaptation, mitigation, means of implementation and loss and damage'.

The G77 spokesperson said that the Paris Agreement (PA) is a collective achievement of all Parties, and it seeks to enhance the implementation of the Convention, in accordance with its objectives, principles and provisions, in particular equity, common but differentiated responsibilities and respective capabilities (CBDR-RC), and in the light of different national circumstances.

Referring to the reports from the Intergovernmental Panel on Climate Change (IPCC), he said that 'irreversible loss and damage is already a grim reality for vulnerable countries at current global warming levels' and that adaptation is a crucial priority for the members of the group. In line with this, the group expects to see substantial progress on key deliverables and outcomes on adaptation, including on the global goal on adaptation at SB 56, the UNFCCC COP 27 in Egypt and beyond.

Munir also placed great priority on the global stocktake (GST), in that it should be carried out in a holistic, balanced, and facilitative manner, considering all thematic areas, and in light of equity and the best available science.

Another key issue is loss and damage, where the group expects that the full operationalisation

of the Santiago Network on Loss and Damage (SNLD), while critical, should not be at the cost of substance to getting it right. The group is united in their ask for the establishment of a dedicated 'Loss and Damage Finance Facility', 'as an intended tangible outcome to which the Glasgow Dialogue on Loss and Damage must contribute', said the G77 spokesperson further.

In the spirit of compromise, Munir said that the group agreed to the Chair's proposal to hold consultations on the inclusion of an agenda item on the Glasgow Dialogue in SBI 56. The group also stated that it is important to make progress at SB 56 on identifying key elements for a draft decision at CMA 4 (the fourth session of the Conference of Parties to the PA) on the mitigation work programme – which needs to address the issue of financial support as an enabler to closing the pre-2030 ambition gap.

The G77 also mentioned the unmet commitment by developed countries to jointly mobilise US\$100 billion per year by 2020 to support developing countries in their climate change actions. In the same line, the group wanted to see meaningful progress on the deliberations to set the new collective quantified goal (NCQG) on finance, and a constructive fourth review for strengthening the operation of the Adaptation Fund (AF), including improving direct access.

The group stated that at COP 27, 'developed countries must provide a quantitative and timebound delivery and tracking plan on the pledged doubling of adaptation finance from 2019 levels by 2025'; and called for 'developed countries to enhance their efforts in technology transfer and strengthen their support to the Technology Mechanism and the Climate Technology Centre and Network, in particular through the provision of financial resources'.

Bolivia, speaking on behalf of the **Like-Minded Developing Countries (LMDC)**, said that ‘besides the climate crisis, the COVID-19 pandemic has affected our economies adversely, furthering the gulf between developing and developed countries’, highlighting that ‘we are not an equal world’. On that premise, the LMDC emphasised that ‘equity, CBDR-RC and climate justice form the bedrock of climate action, and there is no space for compromising on these fundamental principles’.

It also noted the call of science to act and said that LMDC members have ambitious climate plans and are implementing them; however, the responsibility for action is ‘made to’ fall largely on their economies and rarely on the historical polluters who continue to pollute.

The LMDC expressed surprise that the issues of the global goal on adaptation (GGA) and the Glasgow Dialogue on loss and damage were missing from the provisional agendas of the SBs issued earlier. Although the LMDC was glad that the GGA was now on the agenda, it was still concerned over the number of time slots given to discuss this item.

On its proposal on the agenda item on ‘Matters relating to the Glasgow Dialogue on Loss and Damage’, the LMDC said that it had made a great concession to allow consultations on the item to continue and for the SBI agenda to be adopted without their proposal. It however hoped for a conclusion that ensures an agenda item on matters related to the Glasgow dialogue at SB 56, and subsequently that leads to an agenda item on loss and damage finance arrangements at COP 27/CMA 4.

The LMDC also hoped to have progress on the Second Periodic Review and the GST, to be based on both science and equity in a balanced manner.

Zambia, speaking on behalf of the **African Group**, said that ‘SB56 is taking place against the backdrop of global COVID-19 pandemic, economic difficulties, the energy crisis, the food crisis and the consequences of climate change already being experienced across the world, and the growing debt crisis faced by many African Countries and the urgency for action as indicated in latest scientific reports’. It said further that the African Ministers called for ‘ambitious mitigation, adaptation, and ambitious means of implementation in Glasgow’. This included a call on implementing mitigation targets, adaptation action and delivery of finance by developed country Parties.

Quoting the Sixth Assessment Report from the IPCC, the group stated that Africa will be impacted more than any other continent, and the adverse impact of climate change is limiting Africa’s economic and development trajectory – noting that the continent only contributed less than 4% of the world’s total emissions. Because the estimated cost of adaptation in developing countries will reach \$127 billion and Africa needs up to \$86.5 billion per year by 2030 – the group stated that SB 56 and the COP 27 should respond to the call by science on addressing both the mitigation and finance gaps.

The African Group stressed on the GGA and the need to scale up adaptation implementation and support to address the adaptation gap reported. In this regard, work on implementing the Glasgow Sharm El-Sheikh work programme on the GGA must deliver substantive progress under a dedicated SB 56 agenda item, it added.

India, speaking on behalf of the **BASIC Group (Brazil, South Africa, India and China)**, stated that they had continued pursuing and raising their climate ambition while facing COVID-19. All climate efforts should be based on CBDR-RC as we live in a world of stark inequalities between and sometimes within nations, and ensuring intra-generational equity along with inter-generational equity remains important.

The group emphasised that ‘the mitigation work program on ambition and implementation established at Glasgow should focus on the necessary enabling elements including the climate finance and technology transfer required for the implementation of the NDC commitments announced by Parties’, which should also address the substantial gaps in mitigation, adaptation and support in the pre-2020 period.

It said that the process of achieving the long-term goal on finance and adding the new and additional finances through the new collective quantified goal should be started. It added that the centrality of public finance in Articles 9.5 and 9.7 of the PA is critical to provide financial resources by developed countries to developing countries. The BASIC stressed that they do not align with statements and declarations made outside of the UNFCCC process and not based on the UNFCCC’s principle on CBDR-RC.

Antigua and Barbuda, speaking on behalf of the **Alliance of Small Island States (AOSIS)**, called on countries to revisit and strengthen their 2030 NDC targets and to indicate when their

emissions will peak in their revised NDCs, for those whose emissions have not peaked or who have not announced a peaking year. It stressed the IPCC estimate that phasing out fossil fuel subsidies would reduce global greenhouse gas (GHG) emissions by up to a full 10% by 2030 – an amount larger than the third-highest emitting Party's.

It also said, 'In contrast to the estimated nearly \$6 trillion that subsidized fossil fuels in 2020, developed countries undershot the US\$100 billion goal and provided just \$19 billion for adaptation. The Glasgow decision to at least double adaptation finance from 2019 levels must be reinforced with a plan and complemented by concrete progress on the GGA work programme. This should include key performance indicators on access and support.' It added that 'the data we've seen on the number of months to approve an adaptation project is, frankly, embarrassing. It's no wonder the private sector doesn't engage in adaptation finance.'

AOSIS expected this year's Glasgow Dialogue on loss and damage to lead to the conclusion that a new Loss and Damage Finance Facility is necessary and will be adopted at this year's COP, so that the future Glasgow Dialogues to 2024 can operationalise the Facility.

Chile, speaking on behalf of **AILAC**, cited the recent IPCC report on the hard limits of adaptation that we have already reached. It suggested a new vision of adaptation which requires a paradigm transformation, framed within the concept of 'Climate Resilient Development'.

The same for loss and damage, where it said action and financing for loss and damage are imperative and cannot be dismissed. It expects the work of the SNLD and the Glasgow Dialogue to chart the way forward that addresses the reality that the most vulnerable are already living.

It called on the major emitters gathered under the G20, in accordance with the principles of equity and CBDR-RC, to communicate and implement greater ambition in their NDCs.

Senegal, speaking on behalf of the **Least Developed Countries (LDC)**, said that the IPCC's Working Group 2 report referenced the need for dedicated and accessible finance for successful adaptation measures, and looked forward to receiving a plan on how and when adaptation finance will be doubled as agreed in Glasgow. It also stated that emissions need to peak immediately and be reduced by about half by 2030. It said further that 'limiting warming to 1.5°C can be done, but the political will must be there'. It wanted the

Glasgow Dialogue to lead to the establishment of a dedicated finance facility, and loss and damage finance should be considered as a thematic area in the NCQG.

Saudi Arabia on behalf of the **Arab Group** expressed the need to respect the Convention particularly the CBDR-RC principle, and the need to implement the PA. It hoped that the work at the SBs is undertaken in an equitable and balanced way, ensuring that all results and outcomes from the PA are respected. It stated the need to address all issues equally and ensure that politicisation is avoided when it comes to results, as this will impact the implementation of the PA. The sources of finance and support and capacity-building are all important for developing countries in order to respect their commitments, and to address the sustainable development goals and combat poverty.

Venezuela, on behalf of the **ALBA Group**, stated that climate finance and technology transfer and capacity-building must be in line with historical responsibility. It welcomed the Glasgow Dialogue on loss and damage and Article 6.8 of the PA on non-market approaches in the implementation of NDCs. It called for concerted action to ensure full implementation of the UNFCCC and the PA based on equity and CBDR-RC; and said that the impacts of unilateral measures must be addressed by the Convention. It supported the inclusion on the agenda of SBs the work programme on the GGA and the Glasgow Dialogue on loss and damage.

Brazil, speaking on behalf of **Argentina, Brazil and Uruguay**, said that it was disappointed with the unwillingness of developed countries to agree to any substantial outcome on finance, loss and damage and adaptation. It called for 2022 to be a crucial year for adaptation and underlined the need to work on the GGA in innovative ways. It also welcomed the results of the Enhanced Transparency Framework but was worried about the challenges the developing countries are facing in accessing the funds required to deliver the transparency commitment.

China stated that this is the time for the implementation of the PA, and during this new phase, the most important priorities are adaptation, financing, means of implementation and provision of support by developed countries. It also stated that the GGA is something we need to identify with a roadmap to be established, adding that it is time to address adaptation more seriously. During this era of adaptation, we will not forget to continue with mitigation actions and developed countries

should demonstrate leadership, to achieve carbon neutrality through the use of technological advances that they have, said China.

France on behalf of the **European Union (EU)** welcomed the work programme on mitigation on how to accelerate action in this field, including to identify how sectoral policies can support these efforts. It hoped that the work programme on the GGA will strengthen the adaptation agenda to better understand how to measure and follow up progress to measure and strengthen resilience to climate impact. It also was determined to ensure the operationalization of the Santiago Network and looked forward to the Glasgow Dialogue on loss and damage and in strengthening existing support for developing countries. It said that doubling the adaptation finance requires joint effort, both public and private support. It noted that if the global finance flow is not aligned with the Paris goals, we need a dedicated forum and agenda in the next COP to discuss this.

Australia, speaking on behalf of the **Umbrella Group**, which consists of Iceland, Canada, Ukraine, Japan and Norway, stated the need to revisit the 2030 target of the Nationally Determined Contributions (NDC) to align with the Paris temperature goal by the end of 2022, taking into account the different country circumstances.

The work programme for scaling up mitigation is important, as well as Article 6, that can contribute to real abatement, mitigation and adaptation as well as support market confidence. The group also mentioned the need to deliver on the goal of mobilising US\$100 billion from various sources. The Umbrella Group also emphasised that developed countries double the provision for adaptation finance by 2025. It said that averting, minimising and addressing loss and damage is a concern for all Parties, and called for focus on implementation outcomes of COP 25 on the Santiago Network, to provide effective operationalisation. It also looked forward to the funding of activities to avert, minimise and address loss and damage, including the opportunities to enhance access to finance.

Switzerland, on behalf of the **Environment Integrity Group (EIG)**, stated that the IPCC indicated clearly that we have three years to cap emissions to keep 1.5°C a reality and that mitigation is a clear success factor for COP 27. It called for the strengthening of NDCs as per the Glasgow Climate Pact, by countries which did not enhance their NDCs, especially the big emitters. It stated that the GGA is an opportunity to increase and accelerate ambition and lessons learned. It also stressed the importance of all financial flows aligning with the PA objectives.

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Developing countries call for Loss and Damage Finance Facility

Bonn, 8 June (Hilary Kung) – The UNFCCC’s Subsidiary Body for Implementation (SBI) organised the first Glasgow Dialogue (GD) to discuss the arrangements for the funding of activities to avert, minimise and address loss and damage associated with the adverse impacts of climate change at its 56th session on 7 June 2022. The GD was organised by the SBI in cooperation with the Warsaw International Mechanism for Loss and Damage.

(The Glasgow Dialogue was established in Glasgow last year, following a major fight between developing and developed countries. The developing countries lost the battle on ensuring a loss and damage finance facility due to very strong opposition from the developed countries, especially the United States (US), and only managed to secure a dialogue to discuss the funding arrangements. See [TWN Glasgow Climate News Update 17.](#))

Before the GD convened in Bonn, civil society groups were seen outside of the Chamber Hall (the event venue), calling for the Loss and Damage Finance Facility to be established and for the ‘matters relating to loss and damage’ to be added to the agenda items.

(The decision by the SBI Chair during the official plenary informed that this proposed additional agenda item will be kept in ‘abeyance’, pending informal consultations by the Chair, with the outcome to be reported back to the plenary at the Bonn session. See [TWN Bonn Climate News Update 2.](#))

Following opening remarks by the **SBI Chair (Marianne Karlsen of Norway)** and the **UNFCCC’s Executive Secretary, Patricia Espinosa**, the co-facilitators of the first GD **Christina Chan** (from the United States) and **Joseph Teo** (from Singapore) conducted the session.

Antigua and Barbuda, speaking for the **Alliance of Small Island States (AOSIS)**, took the floor to deliver a powerful statement. It stated, ‘It is no secret that AOSIS and the Group of 77 and China had a common position at COP 26. This was to establish a Loss and Damage Finance Facility under the Financial Mechanism, and to lay out a process to consultatively define the Facility and make a recommendation to COP 27 for further operationalization. This common position aims at addressing an apparent gap in the existing architecture for climate finance. The compromise that AOSIS made at the COP 26 was based on the understanding that the GD would lead to a conclusion that a Loss and Damage Finance Facility will be established at COP 27 in Egypt.’

AOSIS further noted that the process for deciding on the structure of the Dialogue was not country-driven. It stated that it would have recommended that the agenda (for the first day) provide space for stakeholders to make their initial interventions on the Dialogue if Parties were consulted on the agenda.

AOSIS also referred to the Intergovernmental Panel on Climate Change (IPCC) Working Group II report which concluded that ‘(1) the problem of loss and damage exists and is caused by human-induced climate change; (2) loss and damage escalates with every increment of global warming; and (3) the issue of loss and damage is not comprehensively addressed by current financial, governance and institutional arrangements’.

Calling for urgency for the UNFCCC regime to arrive at a comprehensive solution to finance loss and damage response, AOSIS questioned the relevance of the GD in discussing funding arrangements given the gaps in the current climate finance regime that continues to ignore loss and damage.

Many groups supported the intervention made by AOSIS. The **Marshall Islands**, on behalf of the **Pacific Small Island Developing States (PSIDS)**, stated that there is no clearer need than now for loss and damage finance and it cannot wait for another three years of dialogue. It demanded that one of the outcomes of this dialogue process be the establishment of a Finance Facility for Loss and Damage by COP 27/CMA 4.

The PSIDS said further that ‘...at the present time there is practically no finance available for island communities facing slow onset events. There is no disaster or humanitarian trigger for finance as insidious sea level rise seeps into our underground freshwater lenses, making the water undrinkable and the soils infertile. No operating entity of the Financial Mechanism will bring back a coral reef killed by acidifying oceans. There is no funding for addressing the loss to cultural sites now inundated by rising seas, there is no financial mechanism to address coastal traditional identities and local knowledge eroded.’

It further reiterated the same concern made by AOSIS that the Pacific Group was not consulted on the GD agenda of guiding questions.

Fiji reiterated the call to use this GD over the coming days to focus on advancing the process required to create and formalise arrangements that will create the urgent financing required to avert, minimise, and address loss and damage. It also stated that it has a range of experience when it comes to designing and defining activities and funding mechanisms that deal directly with loss and damage minimisation but lacks the resources to advance them on the scale needed. It called out the significant gaps in existing global climate financing arrangements.

It said further that ‘what finance we access and receive is either ad-hoc, hard-won, or expensive. We rely on the goodwill of donor countries. Often, these dynamics leave countries like Fiji unhelpfully dependent on the development agendas, political priorities, and financing preferences of others. At the same time, as climate impacts, Covid-19, and other interlinked threats overlap and combine, vulnerable countries are increasingly left indebted, economically exposed, and less resilient.... Average annual economic losses from disasters alone in the Pacific Island countries exceed one billion US dollars annually. This number does not account for non-economic losses, the trade-offs involved, or the incremental damage caused by slow onset events.’

Timor-Leste spoke on behalf of the **Least Developed Countries (LDCs)** and highlighted the gap in the existing financial, governance and institutional arrangements to comprehensively address the current and projected losses and damages, especially in the most vulnerable parts of the world. The LDC group also made clear that the finance facility must provide financing that is additional to what already exists, is sustained and quick to access and fills the large financing gap that currently exists, which puts undue burden on them, who are the least responsible but are among the most vulnerable. It also pointed out that the guiding questions for the GD seemed to presume that the current humanitarian and disaster risk reduction support that currently exists is enough, but this is far from it.

The interventions during the context-setting session saw Parties and non-Parties react to the existing gap in the finance landscape.

Mexico, while acknowledging that the current financial landscape, to a certain extent, does provide funding for early warning and disaster prevention, said that there is no funding available for countries to deal with the aftermath of disasters. Most importantly, there is a need for quick access and not something that requires 20 months for approval.

Timor-Leste for **LDCs** also stated that while there are a few funding avenues to avert and minimise loss and damage, these were not about addressing loss and damage.

Zambia highlighted the need for new and additional funds to address loss and damage so that loss and damage, adaptation and mitigation do not compete with each other for the already constrained resources.

Colombia, on behalf of the **Independent Alliance of Latin America and Caribbean countries (AILAC)**, elaborated on its understanding of loss and damage and its overlap with mitigation and adaptation. ‘Avert’ is the measure to avoid loss and damage including mitigation; ‘Minimize’ is the measure to reduce the risk of the amount of loss and damage that would have otherwise occurred or before it occurs, including adaptation; ‘Address’ is the measure to respond to loss and damage that is not avoided through mitigation, adaptation and other measures such as risk reduction. It also said that funding may be available for averting and minimising loss and damage, but there is a financing gap to address loss and damage.

Vanuatu said that the programmes provided by the World Bank, the Green Climate Fund, the Adaptation Fund and others are primarily on minimising climate change impacts but this truly covers only a fraction of the loss and damage issue. It said that the dangers are clear and present, particularly for slow-onset events and non-economic losses.

The **European Union** stated that they were listening and committed to scaling up their climate response. **Germany** also said that it heard the voices loud and clear and recognised the fragmentation of the current financing system.

Norway reiterated the findings of the latest IPCC report that point to the strong and urgent need to step up efforts to address climate change, including loss and damage. **Australia** noted the financing gap mentioned by many Parties and also stated that loss and damage is a complicated and complex issue, much more complex than any other issues.

Mahamat Assouyouli from the **Adaptation Fund (AF)** acknowledged that the Fund did not have the mandate to address loss and damage. Nevertheless, he said the AF does respond to countries' needs and it is up to the countries to seek funds to build resilience against climate change.

Building on that, **Juan Pablo Hoffmaister** from the **Green Climate Fund (GCF)** noted that the GCF has a mandate and it operates on a country-driven basis. For post-disaster recovery, the GCF can support the reconstruction but not humanitarian assistance. Nevertheless, the available resources

from the GCF are to work proactively with countries to strengthen their humanitarian assistance capacity as part of the comprehensive management approach.

The co-facilitators concluded the first day with three key takeaways: (1) loss and damage impacts are rising; (2) there are financing gaps and there were strong calls from Parties to focus on addressing loss and damage; and (3) the need to focus on who we want to support, the most vulnerable and how we can channel the support to them.

The first day plenary of the GD also saw three scene-setting sessions: First was a presentation delivered by Mr Reinhard Mechler, lead author of the IPCC AR6 Working Group II. The second session was on the experiences covering programmes and initiatives in countries and communities, presented by the World Meteorological Organization (WMO), the International Organization for Migration (IOM), the Secretariat of the Pacific Regional Environmental Programme, the International Federation of Red Cross and Red Crescent Societies and the International Union for Conservation of Nature. The third scene-setting session was on the finance landscape presented by the GCF Secretariat, the AF Board Secretariat, the Caribbean Catastrophe Risk Insurance Facility and the Global Facility for Disaster Reduction and Recovery of the World Bank Group.

The GD will continue on 8 and 11 June at the Bonn session.

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Rich exchange of views on the mitigation work programme

Bonn, 9 June (Meena Raman) — Parties to the UNFCCC exchanged views on the work programme for urgently scaling up mitigation ambition and implementation in informal consultations held on 7-8 June at the ongoing Bonn Climate Change Conference under the Subsidiary Bodies (SBs). The informal consultations were co-facilitated by **Carlos Fuller (Belize)** and **Kay Harrison (New Zealand)**.

(In Glasgow last year, Parties had agreed ‘to establish a work programme to urgently scale up mitigation ambition and implementation’ in this critical decade, and requested the SBs to recommend a draft decision on this matter for consideration and adoption by CMA 4 (in November 2022) ‘in a manner that complements the global stocktake’. (The CMA refers to the Conference of Parties to the Paris Agreement.)

In the informal consultations, Parties provided their views on the scope, institutional arrangements, modalities, inputs and outcomes of the mitigation work programme (MWP).

Bolivia, speaking for the **Like-Minded Developing Countries (LMDC)**, said that the MWP should be guided by the principles of equity, common but differentiated responsibilities (CBDR), science and climate justice. It said that the push for net zero targets for all by 2050 is a fallacy in keeping 1.5°C within reach and that this is against equity and the CBDR. ‘This implies a heavy burden on developing countries and gives a lot of flexibility to the developed countries. For the developed countries, such pledges mean doing too little too late,’ said Bolivia further.

On the scope, Bolivia said that the MWP is cross-cutting and it should adopt a holistic approach and address adaptation, loss and damage and means of implementation; the need to close the gaps in these areas; as well as address the issue of pre-2020

gaps. It also referred to Article 4.4 of the Paris Agreement (PA) and said that developed countries must take the lead in relation to emission reductions.

(Article 4.4 of the PA states: ‘*Developed country Parties should continue taking the lead by undertaking economy-wide absolute emission reduction targets. Developing country Parties should continue enhancing their mitigation efforts, and are encouraged to move over time towards economy-wide emission reduction or limitation targets in the light of different national circumstances.*’)

It said further that the MWP should not consider processes outside of the PA nor agree to any new arrangements and the focus should be on the idea that mitigation ambition should go hand in hand with the provision of finance and the means of implementation.

Bolivia also said that the MWP should be a platform for sharing information and knowledge on implementation aspects and added that the first step must be to exchange views for consensus on what is mitigation ambition. It suggested the MWP be used to share national experiences and best practices and address the implementation aspect. It also suggested discussion in the MWP on key thematic areas such as barriers for low- carbon transition; just transition, including finance, technology and capacity-building needs; economic diversification and opportunities for developing countries in diversifying their economies; technology development and transfer; and equitable access to carbon space.

Speaking for the **Arab Group**, **Saudi Arabia** said the MWP should be structured in a manner that supports countries in the implementation of their NDCs. It emphasised on maintaining the balance in the PA, its bottom-up nature, and for the

MWP not to create new mandates outside the PA. Saudi Arabia also suggested ensuring complete alignment with the PA, and avoiding duplication with existing processes mandated to assess and support the enhancement of ambition, ‘which is done through the global stocktake (GST)’. ‘Any mitigation gap of any sort should be addressed through the GST,’ said Saudi Arabia. It also said that the PA as stated in Article 2 is the basis of any mitigation discussions, taking into account equity and CBDR.

Further, it said that the MWP should provide a platform for Parties to share experiences and exchange best practices on their progress towards implementing their nationally determined contributions (NDCs). ‘This could support the first GST by collectively working together and collaborating on the different fronts helping each other out to achieve our own NDCs,’ it added.

It also proposed thematic topics to be discussed such as just transitions; economic diversification and its mitigation co-benefits; mitigation co-benefits from adaptation; technology; circularity approaches; equitable access to the remaining carbon budget in line with the principle of equity and CBDR; and the impact of implementation of response measures.

It was also of the view that it was too early in the process to decide on intersessional work and reiterated the importance of a balanced progress in both mitigation and adaptation at the ongoing SB 56 sessions.

Zimbabwe, speaking for the **Africa Group**, expected developed countries to implement their NDCs and long-term greenhouse gas strategies (LTS) in a credible manner under the MWP. It referred to the pre-2020 gap in commitments of developed countries and called on them to demonstrate leadership by enhancing their mitigation ambition. It also said that enhanced support should be provided for developing countries to implement their ambitious NDCs in the context of sustainable development and poverty eradication.

It also said that the MWP should discuss just transition, sustainable pathways and related finance for such pathways, and referred to means of implementation as being central to the discussions. The principles and provisions of the Convention, equity, CBDR and historical responsibility should be clearly articulated and demonstrated within the MWP. It also said that the MWP should be guided by science and it should also not duplicate other processes and complement ongoing processes such

as the GST. The scope of the MWP must be broad and have synergies with finance, technology and capacity-building support for developing countries. Zimbabwe also said that the MWP should operationalise Article 4.4 of the PA in concrete terms.

Bangladesh for the **Least Developed Countries (LDCs)** said the objective of the MWP is clear in that it is to scale up mitigation ambition in this critical decade. It said that the fundamental premise of the MWP is the Glasgow Climate Pact and emphasised sectoral dialogues, adding that the MWP should be duly considered in the annual high-level ministerial roundtable. It said the MWP should begin in 2023 and last for seven years, with a mid-term review around 2026. Bangladesh also said that the MWP should facilitate mobilisation of resources on the ground.

The Marshall Islands for the **Alliance of Small Island States (AOSIS)** said the MWP must discuss how to scale up mitigation ambition and implementation at scale and focus on a sectoral approach. It suggested that the MWP must operationalise Article 4.11 of the PA and saw the timeline of the MWP lasting until 2030. (Article 4.11 of the PA reads: ‘*A Party may at any time adjust its existing NDC with a view to enhancing its level of ambition, in accordance with guidance adopted by the CMA.*’)

The AOSIS called for intersessional technical work on the MWP prior to COP 27. It also said that the G20 countries need to do their part and submit more ambitious NDCs and LTS. On the modalities, the AOSIS suggested technical-level discussions, workshops and summaries from workshops to feed into the annual ministerial roundtables, calling for discussions on phasing out fossil fuel subsidies and coal. It also called for submissions from Parties on the MWP.

Speaking for the **Independent Alliance of Latin America and the Caribbean (AILAC)**, **Chile** said the objective of the MWP is already defined in paragraph 27 of the Glasgow Climate Pact. It also said that the world faces an ambition gap in limiting global warming to 1.5°C and called for all sectors to be included in discussions on the scope of the MWP. Chile said that non-CO₂ greenhouse gases should also be discussed.

On modalities, Chile proposed that the informal consultations should reach annual decisions and called for intersessional work on the matter. It proposed submissions, meetings and in-person workshops under the MWP and called for inputs by non-Party stakeholders in the process. It

also requested the co-facilitators to produce ‘text’ as soon as possible.

Argentina spoke for **Argentina, Brazil and Uruguay (ABU)** and stressed that ambition in mitigation goes hand in hand with ambition in means of implementation and that developed countries should provide support to developing countries to fulfil their commitments. The group said the MWP should consider pre-2020 gaps in its scope and outcomes and be a platform for sharing of knowledge and experiences. The group also said there should be a call for submission by Parties to work efficiently at COP 27.

China said the MWP should not create new mandates, must not change the targets set in the PA and must follow the principles and provisions of the Convention. The MWP should address the pre-2020 gaps and developed countries must show leadership, it said further. China said that the purpose of the MWP is to support Parties to enhance their implementation in line with equity and CBDR. China suggested the MWP discuss topics such as how to achieve NDC targets; what technologies Parties have to achieve the targets; how the technology transfer can happen in developing countries for them to achieve their targets; and how additional support can be provided to developing countries. China also said that the MWP must try to find solutions and for it to be completed within one year so that the solutions are available by then.

On the modality, China said the MWP should be structured in a manner where Parties are able to share stories of their successes and failures and suggested that the MWP be completed within one year, by COP 28. China also cautioned that Parties’ obligations must not be shifted to non-State actors. China said the MWP also needs to discuss the issue of finance and any potential intrusion into the nationally determined nature of NDCs must be avoided.

India said the guiding principles of the MWP would be the foundational principles and provisions of the Convention. In relation to inputs for the MWP, it said the IPCC working group reports form the scientific basis for the MWP, such as the remaining carbon budget; the NDC synthesis report on the gaps in ambition; and the national communications and biennial update reports and the biennial transparency reports in the future, to track progress on implementation. ‘The work programme should be developed in keeping with the foundational principles of equity, CBDR-RC and national circumstances. What this means is that work programme should respect that the climate

targets of Parties are already embodied in their NDCs,’ it said.

It cautioned that the MWP should not become an ‘NDC-plus programme, demanding sectoral, gas specific, policy specific targets from all Parties and then tracking their implementation’. India said it recognises the climate crisis; crisis of poverty; energy access and security to power industrial, agricultural and service-sector growth; and the urgent need for meeting all other sustainable development goals by 2030. ‘For this reason, we do not support any sector or gas specific work programmes that are prescriptive in nature and infringe on sovereign rights for determining national climate policies,’ it said.

India added that it did not see the scope for developing sectoral benchmarks under any work programme, nor for creating additional reporting requirements beyond what has been agreed at COP 26 under the Enhanced Transparency Framework. ‘We cannot support singling out specific fuels or specific policies for discussion in the work programme. We need to distinguish between subsistence related emissions in developing countries with low per capita emissions, from emissions in industrialized and post-industrial economies arising from energy intensive, unsustainable lifestyles,’ it added and also cautioned against bringing in agendas of other mitigation-centric plurilateral coalitions such as those related to methane into the ambit of the MWP.

It also suggested including a range of elements for inclusion in the MWP such as: a global carbon budget tracker to be developed; for the MWP to be a programme for delivery of critical enablers for strong climate actions to developing countries, as envisaged in the Convention and PA; for the MWP to provide a platform for exchange of experiences and best practices amongst Parties with regard to policies and programmes, and encourage practical cooperation in mitigation, including for sector and gas specific reduction targets amongst Parties that choose to do so; to identify the barriers for low-carbon transition in developing economies, which could include how finance and technology transfer obligations of developed countries would be accelerated. India said that without these elements, the MWP would not be of relevance to developing countries.

It also suggested that the MWP discuss how to bring down the green premium associated with low-carbon technologies and facilitate their rapid deployment worldwide and address how the world can move towards sustainable lifestyles, globally,

as a response to combating climate change. It said further that the MWP must address how the pre-2020 ambition gaps would be fulfilled by developed countries within this decade.

Switzerland for the Environmental Integrity Group (EIG) said that the concrete outcome of the MWP would be to put a plan for 1.5°C. The EIG sees the MWP running till 2030 or until the 1.5°C gap is closed. The MWP should discuss the findings of the IPCC's Working Group 3 report on mitigation, findings of the NDC and LTS synthesis reports, it added. The MWP could look at how to enhance support for NDCs, besides addressing scaling up and deployment of clean energy measures and efforts to reduce methane, it said. On the modalities, Switzerland said that the MWP should include the right stakeholders and there should be workshops and submissions by Parties. It also spoke about the importance of sharing of experiences and best practices and called for a draft decision emerging out of the MWP providing guidance on how Parties intend to respond to the call to revisit their NDCs.

The European Union (EU) said the MWP objective is well defined, which is to urgently scale up mitigation ambition in this decade with a view to keeping 1.5°C within reach. It said the scope should contain all the elements captured in the Glasgow Climate Pact and that the MWP should be informed by science. The EU said it sees the time horizon of the MWP to be till 2030, while noting the urgency of taking action in the near future and a review at a certain point between 2024 and 2026 to adjust the modalities of the MWP. The EU also said it is important to link the MWP with the political process where the MWP informs and guides the annual ministerial roundtables. It called for the inclusion of non-Party stakeholders in the process and suggested that it would be important to start an activity under the MWP in 2022.

The United States (US) said the mandate is clear in the Glasgow Climate Pact, which is to scale up mitigation ambition in this critical decade, where the idea is to implement existing goals and commitments and increase ambition. The US said that under the MWP, Parties can exchange their understanding, practices and experiences and that the MWP could look at sectoral opportunities, mitigation opportunities in non-CO2 GHGs such as methane, as well as at planning processes and on how to align NDCs with LTS. The US also called for the participation of non-State actors in the process. On the modalities, the US said the MWP could be led by appointed co-chairs or the Chairs

of the Subsidiary Bodies (SBs), and involve dialogues, both in-session and virtual dialogues for which the chairs would prepare reports and submit to the SBs for their consideration. On the timeline, it said that it sees the MWP running through 2030 but there is value in a short-term set of activities for the next few years.

Canada said that the MWP should discuss policies, measures and technical approaches and that it should be a facilitative space for sharing knowledge, adding that the MWP needs to have a clear link to the CMA and that it sees links of the MWP with the pre-2030 roundtables. The focus of the MWP should be to make it operational and figure out how and where it will fit within the institutions of the PA. Canada suggested regional workshops and technical dialogues building on the mitigation elements of the Glasgow Climate Pact under the MWP, with the presiding officers of the MWP setting the agenda from year to year. It suggested the output of the MWP be summary reports to the CMA which would inform the pre-2030 ministerial roundtables and that the timeline of the MWP is till 2030.

Australia said the scope of the MWP is ambition and implementation and that it sees the discussions as facilitative in nature. The inputs would come from the IPCC's Working Group 3 report as well as the NDC synthesis report and the modalities would involve the CMA to reflect on the MWP and make decisions. It also spoke to the political importance of the MWP and called for the recognition of non-State actors' involvement in the process. Australia said the timeline of the MWP is until 2030 and that it would welcome the opportunity for submissions. It suggested having an event at COP 27 on updated NDCs and synthesis reports.

Reflecting on some of the interventions, **China** said it had heard that the mandate had two parts viz. ambition and implementation. It clarified that ambition includes implementation since implementation of targets would depend on whether there is ambitious means of implementation to achieve those targets. It sought clarification on what kind of ambition Parties were speaking about - new net zero targets, or new NDCs or comprehensive ambition?

China said that in the context of the MWP, the discussion on ambition must be in the context of enhancing ambition comprehensively. It also said that it had heard many Parties speak to the outputs of the MWP in terms of reports and recommendations and sought clarity on who would

formulate these reports, what would be the process towards formulating such reports and whether these reports would be subject to negotiations in the SBs. China also said that it had heard Parties wish to launch the MWP end of this year and wanted to understand where the mandate was for such a launch. ‘In Glasgow, we decided to convene an annual high-level ministerial round table. Are we now going to establish a new mechanism under the WP?’ China asked. China also reiterated that a discussion on why some Parties did not achieve

their pre-2020 commitments would be important to not repeat mistakes of the past.

Following the interventions, the co-facilitators sought Parties’ views on whether they could prepare bullet points to capture the discussions of the informal consultations on the matter. **China** clarified the approach and suggested adding guiding principles as a bullet.

Further discussions are expected to take place after the co-facilitators issue the bullet points capturing the discussions in the informal consultations.

Developing countries outline expectations from the global stocktake process

Bonn, 10 June (Perna Bomzan) – At the opening plenary of the first technical dialogue (TD) of the global stocktake (GST) held on 9 June under the UNFCCC's Subsidiary Bodies (SBs), developing countries outlined their expectations from the process.

The **G77 and China** stressed that the GST process should enable Parties 'to look backward at implementation gaps and challenges, including with respect to historical responsibility and pre-2020 implementation of the Convention and its related instruments, and to look forward in terms of opportunities and approaches to what must be done to achieve our collective goals and how these actions could be addressed and delivered in a systemic and transformative way'.

(The first GST will take place in 2023, as agreed under the PA, to assess the collective progress of Parties in achieving the Agreement's goals, including on mitigation, adaptation, and the means of implementation and support, in light of equity and the best available science. The issues of loss and damage as well as response measures are also being considered. The GST consists of three components: information collection and preparation, which commenced at SB 52–55; technical assessment, which will start at SB 56 and conclude at SB 58 (June 2023); and consideration of outputs, which will take place at CMA 5 (November 2023). Under the PA, the outcome of the GST is to inform Parties in updating and enhancing their actions and support in accordance with the relevant provisions of the PA. The GST process has therefore been viewed as a 'ratchet' mechanism for enhancing ambition on all elements of action and support.)

At the ongoing talks in Bonn, the TD is taking place in multiple formats, with two plenary sessions (opening and closing); three roundtables structured

around the three thematic areas of mitigation, adaptation and means of implementation; and a 'world café' format of focused presentations aiming to facilitate interactive exchanges across the thematic areas. The closing plenary will have reports from the roundtables and a summary from the co-facilitators. The TD is chaired by co-facilitators **Harald Winkler (South Africa)** and **Farhan Akhtar (United States)**.

Pakistan speaking on behalf of the **G77 and China** said that it accorded high priority to the GST for achieving our common objective of enhancing the collective ambition of action and support and international cooperation under the PA. The Group underlined that the TD 'must be carried out in a holistic, balanced and facilitative manner, including mitigation, adaptation, the means of implementation and support, the consequences of response measures, loss and damage, barriers and enablers, and cross-cutting themes, in the light of equity and the best available science'.

The G77 stressed that 'the consideration of the information inputs should be done in a manner that reflects both diversity and balance in perspectives. The assessment of the collective progress of implementation on the ground, including the progress and gaps on delivery of commitments and ambitions in pre-2020 and post-2020 periods and the progress and barriers to just transitions, must be with a view to inform Parties in updating and enhancing their actions and support, as well as international cooperation. We also need to identify the good practices, lessons learned, opportunities, barriers and challenges, needs, and gaps for enhancing both implementation and ambition with respect to mitigation, adaptation, the provision of the means of implementation to developing countries, addressing the consequences of response measures, and averting, minimizing,

and addressing loss and damage in a balanced manner.’

The G77 pointed out the need to understand the synergies and trade-offs between climate action and the pursuit of other sustainable development goals (SDGs). Citing from the recent reports of the Intergovernmental Panel on Climate Change (IPCC), it said that this would ‘depend on the development context including inequalities, with consideration of climate justice. They also depend on means of implementation, intra- and inter-sectoral interactions, cooperation between countries and regions, the sequencing, timing and stringency of mitigation actions, governance, and policy design. Maximising synergies and avoiding trade-offs pose particular challenges for developing countries....Trade-offs can be evaluated and minimized by giving emphasis to capacity building, finance, governance, technology transfer, investments, and development and social equity considerations with meaningful participation of Indigenous Peoples and vulnerable populations’.

The G77 stressed further that equity and the best available science are fundamental to understanding the context and identifying future actions for enhancing ambition, addressing implementation barriers and opportunities, and strengthening international cooperation. It referred to its submission as input to the GST, where the Group has highlighted how equity considerations could be taken into account in the GST in terms of both process and substance, adding that ‘doing so will help ensure that the outcome of the GST is equitable, looking backward at implementation gaps and challenges and how these would be addressed in a forward-looking and equitably ambitious manner in all the various areas and related efforts, taking into account the underlying principle of common but differentiated responsibility and respective capabilities (CBDR-RC), in light of different national circumstances, and in the context of sustainable development and poverty eradication’.

‘In this context, an equity-based approach to climate action in light of the best available science would hence require that our discussions at this TD take into account the policy-relevant insights from the IPCC and other inputs with respect to broadening equitable access to and the provision of finance and technologies for mitigation, adaptation, and to address loss and damage and the adverse consequences of response measures; and considering climate justice. This will help in looking at the needed systemic and transformational

changes in an integrated manner to enable developing countries to transition to sustainable development,’ said the G77 further.

Zambia for the African Group of Negotiators (AGN) made clear at the outset that ‘this technical assessment must enable a conversation that is open and transparent, party-driven, covers all priorities of Parties across the agreed scope of the GST and gives balanced and adequate attention to all issues’, adding that ‘we must understand the reasons why we are now facing the daunting task of cutting global CO₂ emissions by 45% by 2030, and why climate finance is utterly inadequate to meet the needs of developing countries to both decarbonize and build resilience’.

It also said that ‘we must also understand why adaptation is still not a central focus for us even though it is central in the PA’ and ‘why we are still fighting for the space to address loss and damage, and generally why pre-2020 commitments were not fulfilled’, adding that ‘the GST is an opportunity to consider these issues comprehensively, and recommend available options for taking appropriate action in response. The TDs will provide the basis for this consideration’.

It underlined that ‘the confidence that all Parties are doing their “fair shares” is what will provide the motivation to enhance ambition. So firstly, in this dialogue, equity cannot be effectively addressed in substance without a thorough review of historical and current contributions to global warming, an in-depth analysis and recognition of adaptation actions, and the adequacy of means of implementation provided. Secondly, consideration of equity should also facilitate an enhanced understanding of the circumstances and development context in which Parties are making their contributions and pledges. Thirdly, this has to be in accordance with the guiding principles of equity, CBDR-RC, the right to development, the equitable access to sustainable development and eradication of poverty, and the importance of a just transition, where each Party finds its most appropriate pathway to development and achieving our shared objectives.’

Zambia highlighted the ‘unique circumstances and special needs’ of Africa, stating that the continent ‘has endured a long period of exploitation that led to the plundering of significant natural resources and human capital’. ‘To compound it all, while having very little responsibility for climate change and the lowest per capita emissions of any region, Africa now faces some unique challenges that are well documented

in the IPCC's latest assessment report.' It highlighted and looked forward to 'an outcome which places the just transition at the centre of our long-term low emissions pathways, enables adaptation commensurate with our current emissions trajectory, addresses loss and damage, and provides adequate support to accomplish these goals'.

Saudi Arabia for the **Like-Minded Developing Countries (LMDC)** shared that it is 'representing the challenges, opportunities and diverse trajectories of over half of the world's population, as well as their diverse development aspirations. In this regard, we need to continue to stress the principles that govern us all within the UNFCCC and the PA, which are those of equity and CBDR-RC'. Referring to the buzzword 'ambition', it spelled out that 'ambition of announcements and target is no longer sufficient. This is the time for the ambition of implementation and action. Ambition is multifaceted and inter-dependent. We cannot discuss ambition of action, without discussing the critical gaps that remain in support. There still remains significant pre-2020 gaps and commitments, which we cannot ignore. We cannot look forward if we cannot credibly assess accountability of the past.'

'We need to urgently push for the required and long-overdue balance between adaptation and mitigation, and the balanced treatment of thematic areas under PA in the GST process and outputs. We view the launch of the Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation (GGA) as a critical step in establishing the goal on adaptation to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change... The GGA is an overarching goal, which should be global in nature but taking into account different and unique national and regional circumstances. For the GGA design to truly be a success, we need to ensure that any adaptation related action that would feed into the achievement of the GGA, as well as to be consistent with the temperature goals in the PA,' highlighted the LMDC.

On climate finance, it reminded that 'the current \$100 billion goal was set years ago, and is still unfulfilled. Now a new goal is being established, with no clear understanding of channels or financial instruments, role for public sector of developed countries, role for the operating entities of the Financial Mechanism and the Adaptation Fund. This is in the context, again, of a history of 90% of finance having been allocated

for mitigation. We remain deeply disappointed that there is still no agreed definition of climate finance and it has taken us a very long time to even give the mandate to the Standing Committee on Finance to work on this area. This is very important to our group to be able to ensure accountability and transparency and to be clear that the support provided by developed countries is indeed climate finance and different from developmental assistance or other financing.'

'Without sustainable development, poverty eradication, economic diversification, and just energy transitions, the global discussion on climate action would be lacking in its effective inclusion of equity, balance and ensuring that we are honestly and truthfully coming together to advance solutions for all,' said the LMDC.

Senegal for the **Least Developed Countries (LDCs)** highlighted that 'the GST must inform the world how we are collectively tracking towards a 1.5°C warming consistent pathway'. 'The first GST must also indicate the financial, technological, and capacity building gaps we are facing to achieve the long-term goals we set under the PA' and underlined further that 'effective implementation of Article 9 of the PA (on finance) is critical for making progress towards the long-term goals of shifting towards low carbon emissions and climate-resilient development pathways. We expect that the GST will allow us to raise ambition in the provision and mobilization of climate finance for mitigation, adaptation, and loss and damage, including for enhancing support for capacity building and technology transfer, in the light of equity and the best available science.'

Colombia for the **Independent Alliance of Latin America and the Caribbean (AILAC)** called upon all Parties to engage in the TD with a view to ensuring that the GST outcome 'can enable all Parties to enhance ambition in action and support in line with what is required by the PA goals'. It further called for climate finance to be 'made available immediately to enable the necessary flows of means of implementation that are coherent with achieving the Paris goals. Finance is an enabler, and the very logic of the word "enabler" implies that it has to come first'.

Algeria for the **Arab Group** pointed out that the GST aims to assess the collective progress towards achieving the purpose of the PA, but 'the assessment needs to go beyond, by linking our work to what is ongoing under the Convention' and that the PA is an instrument under the UNFCCC, aiming to enhance its implementation. Consequently, the Arab Group stressed the need to link the technical

work to the ongoing work under the second periodic review of the long-term goal under the Convention and of overall progress towards achieving it. It also underscored that the technical assessment should address all thematic areas – mitigation, adaptation, means of implementation and support including provision of finance, technology transfer and capacity-building as well as address impacts of response measures.

Trinidad and Tobago for the **Alliance of Small Island States (AOSIS)** said that the latest IPCC scientific reports showed that ‘although progress has been made in the climate process, even since the PA, this progress is slow instead of being urgent; incremental instead of transformative and abysmally insufficient for keeping us within a 1.5°C trajectory’. It added that ‘the GST outcome should provide policy direction within the global climate process to course-correct in areas where there have been insufficient levels of ambition, and in particular where the needs of the most vulnerable have not been adequately addressed. We see this as the most effective way to guarantee that the outputs correspond to the dictates of both equity and the best available science’, and that ‘the GST outcome must provide a firm basis for ensuring that SIDS are not left behind in the just transition that is required to shift the world onto a 1.5 degree warming consistent pathway’.

Brazil for **Argentina, Brazil and Uruguay (ABU)** expressed a ‘non-exhaustive’ list of issues to be considered at the TD starting with ‘historical cumulative greenhouse gas emissions (in particular, net CO₂ emissions) from 1850 to 2019’. It said that the collective progress in terms of the current implementation of, and ambition in, mitigation actions towards achieving the goals defined in the PA should not be assessed in the abstract, but there must be a clear picture on how the world has arrived so far with regard to greenhouse gas emissions. This is the fundamental context to discuss efforts being undertaken to plan, implement and accelerate mitigation action and how adequate and effective are the current mitigation efforts and support provided to do so. Further issues it listed were the GGA; accelerated financial support; technology transfer and capacity-building; mitigation; response

measures; and loss and damage. It also highlighted that the TD ‘should be informed by the outcomes from the second periodic review under the Convention as the stocktakes on pre-2020 implementation and ambition under the Convention and the Kyoto Protocol’.

China said that the GST process needs to look back on what Parties have done, and how we got here, taking into consideration the principles of equity, CBDR and national circumstances. It also called for the identification of the best experiences on implementation and the reasons why the pre-2020 commitments failed to be delivered, and to shed light on how to enhance the collective ambition of action and support towards achieving the purpose and long-term goals of the PA. It expected the TD and the GST to facilitate the stocktake of progress in adaptation and means of implementation and support; in identifying gaps, barriers; figuring out solutions, best exercises, opportunities; with a balanced allocation of time, activity arrangements; to ensure rich and comparable inputs and have a balanced, holistic and comprehensive stocktake on overall and collective progress.

India said that the purpose of the GST is not only on ambition but also of accelerated actions and implementation of that ambition. It underscored that the stocktake also needs to cover all aspects related to action including of means of implementation. It emphasised further that the stocktake must accommodate the diversity of national perspectives, equity, climate justice and the principles of the Convention including CBDR-RC. It underscored the importance of equity and the need to capture the concept of the global carbon budget as highlighted in all the IPCC reports in relation to fair and equitable access, and also looked forward to equitable assessments in all dimensions in a balanced way.

The **European Union, Norway, Canada, Switzerland** for the **Environmental Integrity Group (EIG)**, the **United States, Japan** and **Australia** took the floor in outlining their expectations and priorities. Various observer constituency groups and international organisations also presented their statements.

Inadequate funding for loss and damage – say developing countries

Bonn, 13 June (Evelyn Teh, Hilary Kung) – Developing countries at the Glasgow Dialogue (GD) on loss and damage stressed that funding to address loss and damage is inadequate; this required new funding arrangements.

They made this clear on the third day of the first GD, which convened in plenary on 11 June, held under the ongoing meetings of the UNFCCC's Subsidiary Bodies. The session also saw report-backs on the outcomes of the discussions that took place on 10 June from four breakout groups.

The plenary meeting also saw Parties providing their expectations for the next GD to be held in 2023 and the expected outcome at COP 27 in Sharm el-Sheikh, Egypt in November this year.

Report-backs from the breakout groups

Christina Chan (United States) and **Joseph Teo (Singapore)**, who are co-facilitators of the overall GD, along with **Maesela Kekana (South Africa)** and **Frode Neergaard (Denmark)**, the facilitators of respective breakout groups, were tasked with answering guiding questions provided by the Executive Committee of the Warsaw International Mechanism (WIM ExCom) relating to existing funding arrangements for loss and damage, including on what improvements can be made.

The report-backs from the breakout groups revealed two main divergent perspectives on the issue of funding for loss and damage.

One view was that funding for loss and damage should not start from scratch, as funding arrangements already exist, such as humanitarian aid, relief and responses to early actions, extreme events, insurance schemes, catastrophe bonds, risk transfer, and global protection shield, all of which only require scaling up and that this would be more

efficient than establishing a new funding facility, which can be costly and time-consuming.

International funding mechanisms such as the Green Climate Fund (GCF) and the Adaptation Fund (AF), together with other institutions and organisations such as the World Bank and the United Nations Environmental Programme (UNEP), were referred to, as well as the Sustainable Development Goals (SDGs) Funds, the Sendai Framework for Disaster Risk Reduction and multilateral, regional and bilateral assistance schemes.

It was suggested that funding for loss and damage should be built on these and work towards strengthening them, to find synergies, and promoting cooperation for effective delivery for those in need. It was also said that there is information, including a mapping of this by the WIM ExCom in a 2019 technical paper, but information gaps remain.

There was also a proposal to establish a coordinating entity with a mandate from the UNFCCC to coordinate all UN agencies related to loss and damage.

The other divergent perspective was that while there are existing humanitarian aid and other financial mechanisms that have been instrumental in responding to the climate crisis and disaster risk reduction, this is not sufficient to address loss and damage in its full measure, especially in addressing slow-onset events and non-economic losses (such as losses of culture, traditions, identities, etc.).

Existing funding mechanisms are insufficient and are mostly focused on averting and minimising, rather than addressing, loss and damage. For example, an early warning system (EWS), although very important, may only minimise but not address loss and damage. EWS may save lives, but not livelihoods. Long-term programmes to address

slow-onset events, rehabilitation, restoration of ecosystems, displacement of population, loss of culture and heritage, social protection for the vulnerable communities, and planned relocation, to name some specific areas of concern, are neglected, and there is a need for scaling up in terms of support and funds for this.

Affected Parties also flagged that accessing climate finance after a climate-related disaster is complicated and that the current mechanism is not built for a quick pay-out. While insurance can facilitate the flow of aid in times of crisis, the premiums are very high, which then add to the debt burden of developing countries, in addition to the fact that parametric indicators are often not met for insurance funds to be disbursed.

It was suggested that the loss and damage fund should be triggered by a national threshold based on the needs of the affected area and that funding should be predictable, stable and easily accessible.

Country interventions following report-backs

Sudan, on behalf of the **African Group**, stated that there is no dedicated funding to support developing countries in addressing loss and damage. The financing of loss and damage is coming from the poor households, communities, and governments, which are diverting and reprioritising development funds in favour of addressing loss and damage. The current financial mechanisms provided are but a drop in the ocean in that the scale of need is huge. The efforts to deal with loss and damage are sporadic and experimental without addressing loss and damage. New, additional, and scaled-up financing is required. New financial arrangements should take into consideration regional issues and what works in a different context.

Ghana, the current presidency of the **Climate Vulnerability Forum (CVF)**, stated that a new study on loss and damage of its 55 member countries found that they have already lost 20% of their GDP potential this century on average, and for the members most at risk, they would have been twice as wealthy today if not for climate change. Given that they are the least responsible for causing climate change and the least equipped nations, having their wealth cut due to loss and damage is a travesty, and international climate cooperation has the duty to respond to this injustice. Ghana stressed that loss and damage is an emergency agenda and called for COP27 to mandate the Intergovernmental Panel on Climate Change (IPCC) to develop a special report on loss and damage.

The **United States (US)** stated that it saw the GD and the exercise as helping Parties to know how to maximise the opportunities to enhance support for loss and damage; and this will involve strengthening and aligning all the institutions, including the operational entities, multilateral development banks (MDBs), risk pools, humanitarian aid and development sector and other institutions so that they are responsive to the issues raised. The US underscored the critical role of improving actions of the institutions and the financial mechanisms and did not think that this necessarily equates to a new fund given the existing architecture. The US also noted the imperative of broadening the donor base and any efforts undertaken in this process henceforth. Given global emission and investment patterns, the US said that it is simply not tenable for the source of this effort to come solely from traditional contributors if there is to be a broad, effective response that many want. The US also emphasised the averting of loss and damage through 1.5°C aligned emission reductions in this critical decade and that it did not make sense to focus on substantial new funding for loss and damage without having a strong set of actions by all designed to keep 1.5°C within reach.

New Zealand said that while it was dedicated to supporting developing countries with their adaptation and mitigation needs, how or whether addressing loss and damage is covered by adaptation funding is still an open question. It encouraged creativity and flexibility in responding to the call for finding dedicated finance and exploring options to get good outcomes for those most vulnerable, where solutions may lie in bilateral, regional and multilateral solutions, within and outside the UNFCCC framework.

India said that addressing loss and damage initially starts with a shock, where the immediate relief by humanitarian aid is very important, but it should not become business-as-usual after the disaster has happened, and that is where addressing it comes into the picture. This makes sure that it is not just relief and response but also recovery and reconstruction – the post-disaster needs assessment. Building back better is critical; hence, the support required to help countries and communities recover and rebuild better, resettle and rehabilitate better, and find new livelihood and survival strategies. Addressing these is quite critical to be captured in the GD.

Technology and finance are also required to raise the preparedness of the communities themselves as first responders at the local level. Funds, technology, and capacity-building are now

required to help prepare communities to better face disasters. India said that they do not have the luxury to get into disaster risk assessment, vulnerability assessment, and needs assessment, but they certainly need to prepare communities better. It called for easier, less complicated and faster dispersal of grants because they do not have the luxury to prepare large proposals, as reconstruction requires immediate grants.

Colombia, on behalf of the **Independent Alliance for Latin America and the Caribbean (AILAC)**, said that it is fundamental to determine loss and damage financial arrangements that foster international collaboration by taking into account financial gaps and inadequacy and insufficiency of existing financial arrangements for some aspects of loss and damage.

Expectations on the way forward

Parties expressed their views and expectations on the way forward towards the second GD.

Pakistan, speaking on behalf of the **Group of 77 and China**, reiterated their call for the establishment of a dedicated loss and damage finance facility as a tangible outcome to which the GD must contribute. It asked for the discussions at this GD to be in a written report that could then be considered by the COP and CMA (Conference of Parties to the Paris Agreement) as a contribution to the discussion on establishing the loss and damage finance facility.

Antigua and Barbuda, speaking for the **Alliance of Small Island States (AOSIS)**, reiterated its reservation from COP 26 that the group acquiesced to the GD decision with an understanding that it would pave the way towards the establishment of a loss and damage finance facility at COP 27. It summed up that: (1) Most existing arrangements do not provide climate finance that addresses all types of loss and damage events, either collectively or individually; and (2) Even if existing arrangements do provide financing to address some loss and damage, it does not qualify as ‘climate finance’ in line with relevant provisions of the Convention and the Paris Agreement.

These key characteristics include that climate finance is new and additional finance to both development finance and humanitarian assistance, and all developing countries are eligible to access the funds. In addition, the existing funding arrangements do not address many loss and damage response activities, including planned relocation for affected people and measures to address the permanent loss of ecosystems and heritage.

Timor Leste for the **Least Developed Countries (LDCs)** stated that it is clear that the current financing landscape for loss and damage is severely limited and largely focused on ‘averting and minimising’ but not actually ‘addressing’ loss and damage. It said further that we need to distinguish between adaptation financing and loss and damage financing.

Fiji said that ‘loss and damage financing is about addressing fundamental losses to livelihood, culture, and tradition when a community must abandon their lands. Loss and damage is the financing required to support businesses that have lost their source of value, the crops that will no longer grow due to saltwater intrusion, and the bleached reefs that divers no longer wish to explore. To link these needs with statements that reference early warning systems is to fundamentally miss the point. It’s like an airbag going off after a car accident has occurred.’

It is expected that, at the very least, this dialogue helps eradicate the conflation between terms, time frames, operative distinctions and financing typologies. It is also recognised that many Parties agree that adding the sensitivities and complexities of loss and damage to the already dysfunctional international climate financing infrastructure is a decidedly problematic suggestion. Having a new window in the GCF to address loss and damage is somewhat perverse.

Financing for loss and damage should not depend on traditional ad-hoc donors. It further stated that loss and damage needs to be financed through a more systematic approach, including sources like levies, carbon taxes, and other sources of additional financing. Global disaster-related losses in 2021 have been estimated at US\$280 billion, it said. Yet, in 2020 and 2021, Parties failed to meet the US\$100 billion global financing goal.

Vanuatu echoed the calls that the vast majority of existing funding arrangements do not provide climate finance that addresses loss and damage, particularly slow-onset events and the myriad of impacts that result in non-economic losses and damages. The GD can only be called successful if it yields a real outcome that delivers loss and damage finance for people in the islands.

The Marshall Islands, on behalf of the **Pacific Small Island Developing States**, pointed out that a dialogue without deliverables, outcomes and timelines is the very definition of a talk shop. It reiterated that there are significant gaps in climate finance around resettlement issues, there is little to no available climate finance for slow-onset events, such as sea-level rise, and there are no current

climate finance solutions for the critical issues of non-economic loss, including loss of cultural heritage and ecosystems.

It further said, ‘To be clear, humanitarian funding is important and deserving of resources. But it is also only a small piece of what is needed for loss and damage. Disaster risk reduction is also critical. Again, however, it is also only a part of the picture and also under-resourced. Insurance schemes, where they exist, are one of many needed interventions but are not the answer to a highly complex set of issues faced by SIDS, and for us, there would be major concerns around the sustainability of such schemes including premiums.’

India also called for a formal report that feeds into the formal UNFCCC process, requesting a separate agenda item at COP 27 and said that the existing international finance facility is insufficient and not tailored for addressing loss and damage. Therefore, the loss and damage finance facility is an agenda option. Loans, insurances, bilateral fundings, catastrophic bonds, and humanitarian aid are important, but they do not undermine the calls for the setting up of a dedicated loss and damage finance facility. For the second dialogue, it should allow submission by Parties on how to make it more structured.

Australia said that jumping to a solution around a finance facility within the UNFCCC is like assuming the outcome of the GD. Commenting on the need for greater financing, Australia indicated that the sources could be from traditional and emerging donors and players who are going to play a more increasing role in this. It then suggested that financing come from developed and developing countries to collectively understand and deal with the impact of climate change from adaptation and loss and damage perspectives.

Japan noted the wide spectrum of loss and damage; on one end is the direct impact on human and material damage and on another end is the losses from slow-onset events and non-economic losses. It further stated that a wide range of stakeholders already worked on loss and damage areas but the problem we faced now is that the

assistances are all not well calibrated to effectively address loss and damage. It expected the next GD to deepen the discussion in these areas.

In response to the call by developing countries to establish a dedicated loss and damage finance facility, Japan stated that it was afraid the establishment of this facility would require a large amount of resources and time. It cited the example of the GCF, which was decided in 2010 at COP 16, but it took five years to get started and eight years to be fully operational. Hence, it suggested strengthening the assistance of the GCF to avert, minimise and address loss and damage.

Switzerland acknowledged that the existing response mechanisms to some of the areas of loss and damage, such as slow-onset events, are not yet sufficiently clear and accessibility for all vulnerable countries in need of support also remains challenging. On the way forward, it suggested that the future GD needs to deep-dive into specific issues.

The **European Union** concurred that it is important to capture the content of the GD and find convergence. It said that there are already existing financing agencies but they are not well coordinated and significant barriers remain to access, as well as gaps in addressing slow-onset events and insufficient resources. It also pointed out that the next stage of the process should be on ‘how’ existing resources can be strengthened, including actions taken through bilateral assistance and South-South cooperation. It then pointed out the need to focus on the ‘why’, i.e., why is the current system falling short and why are there delays in access and barriers to access, etc. so as to ensure any additional steps we take will improve upon and not replicate the frustrations expressed by many in the room.

The **SBI Chair (Marianne Karlsen of Norway)** assured that the GD is meant to be meaningful, comprehensive and coherent, and respond to the challenges faced by vulnerable communities and developing countries.

Meanwhile, on the sidelines, the SBI Chair has been consulting with Parties on the issue of whether to reflect loss and damage as a dedicated agenda item at its next session.

TWN

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COP 27 must regain balance between adaptation, mitigation and finance

Bonn, 14 June (Perna Bomzan) – The upcoming 27th session of the UNFCCC's Conference of Parties (COP 27) in November in Egypt must restore balance between adaptation and mitigation, with progress in talks on a new ambitious goal on finance, stressed developing country representatives at a side-event on 7 June, at the ongoing climate talks in Bonn, Germany.

The side-event entitled 'Developing country views on the road to COP27' was organised by the Third World Network (TWN) and moderated by **Meena Raman** (TWN) with panel members comprising **Zaheer Fakir** of **South Africa**, who is the G77 and China's Coordinator on finance issues, **Diego Pacheco** of **Bolivia**, who is the spokesperson for the **Like-Minded Developing Countries (LMDC)**, **Richa Sharma** of **India**, and **Mohamed Nasr** of **Egypt** representing the COP 27 incoming Presidency.

Zaheer Fakir pointed out that in the context of climate finance, the real obligations of developed countries are captured in Article 4.3 of the UNFCCC (for provision of new and additional financial resources) and not the buzzword figure of US\$100 billion goal by 2020 which came out of the Copenhagen conference. He highlighted the need to understand the evolution of terminologies, referring to 'provision' of finance by the Convention while the US\$100 billion is about 'mobilization', explaining that the two terms are of profound difference, with the latter gaining more traction. He provided the example of the Global Environment Facility (GEF) where the current ratio of co-financing by developing countries is 7:1.

Referring to the blatant statement by developed countries in Glasgow about their failure to meet the US\$100 billion goal by 2020 and worse, shifting the goal-posts to 2024 instead, he expressed disappointment about the lack of public outcry in

this regard. In the context of the new collective quantified goal (NCQG) on finance, he emphasised the need to take note of the history and lessons learnt from the US\$100 billion goal.

Fakir laid stress on the critical need for a common definition of climate finance to ensure common accounting which is still under discussion. 'Without provision of finance, terminologies such as ambition, tipping point and urgent climate action do not matter,' he stated. Referring to the first NCQG technical expert dialogue that took place in Capetown, South Africa in March, he underlined the ambition of the new finance goal linked to the actual needs of developing countries and that the US\$100 billion figure was never based on needs but was a random figure. Further, he highlighted the findings of the first 'Needs Determination Report' (of the UNFCCC's Standing Committee on Finance) which shows that only 30% of the needs of developing countries have been costed, and ranged between US\$5 trillion and US\$11 trillion, which dwarfs the US\$100 billion goal. Thus, it is crucial to take into account what an ambitious NCQG looks like with a decision by 2025 and it must be 'commensurate between mitigation and adaptation', Fakir concluded.

Diego Pacheco recalled the long and difficult negotiations towards reaching a delicate balance in the Paris Agreement (PA) in terms of mitigation, adaptation, loss and damage and means of implementation, which has now gone downhill with a very 'complex' narrative that emerged in Glasgow – that of net zero by 2050 and the urgency to keep 1.5°C within reach by the Glasgow Climate Pact. He pointed out the 'ambiguity' of net zero by 2050 to be achieved by 'all' countries albeit not explicit in the agreement. 'Bolivia fully supports 1.5°C, otherwise there would be risks to Mother Earth; however, we are not able to support the objective

of net zero by 2050 for all countries,' he stated, adding that the LMDC group also could not support this objective. He equated it to 'carbon colonialism' whereby developed countries are shifting all the burden to developing countries to address climate change and in the process transforming financial and institutional structures into a 'new rule' by the global North and trapping the global South in a 'new dependency', where developing countries are viewed as sinks of carbon while the developed countries are able to reach net zero by 2050 comfortably since they have the finance and technology.

Pacheco called out that there has been a 'great imbalance' created by the Glasgow Pact and that there is a need to achieve a 'new balance' at the COP 27 negotiations, adding that otherwise, we would be falling into a risky process of developed countries diluting their responsibility. He explained that the need to address this imbalance took place at the opening of the SB session, in the fight for the inclusion of the global goal on adaptation (GGA) as an agenda item.

'If we are going to operationalise equity, then the developed countries must do real reductions by 2030 and leave the remaining carbon space for developing countries,' he added, emphasising that if COP 27 is an 'implementation COP', then it must be implementation of adaptation with progress on the GGA. He also highlighted the need to keep the G77 and China 'united with a strong voice' on the issue of adaptation as well as on finance and loss and damage, and further stressed the importance of Article 6.8 (on non-market approaches) of the PA for balance with Articles 6.2 and 6.4, which deal with market mechanisms.

Richa Sharma said COP 27 will be held against the backdrop of the Intergovernmental Panel on Climate Change (IPCC)'s Synthesis Report of the Sixth Assessment Report, which will focus not only on mitigation but on adaptation actions as well. She highlighted that the much-touted Glasgow Climate Pact of COP 26 adopted last year is mitigation-centric, which is unlike the PA, and expressed hope that COP 27 will 'regain' the balance. She cited the instance of the GGA not figuring in the provisional agenda despite the mandate from the Glasgow decision, and how the LMDC had to lead the fight for its inclusion as an agenda item.

Sharma underscored that for developing countries, the historical emissions have been significantly low in per capita terms and hence, they are suffering the impacts of climate change

disproportionately. Developed countries with higher per capita GDP have better adaptive capacity, and hence, developing countries are also talking of achieving rapid, green sustainable development which allows them to build resilience for their people, she said further. Sharma added that the issue of loss and damage is important and highlighted climate finance as critical, calling on developed countries to provide the means of implementation for the whole world to accelerate climate action. The IPCC reports on both adaptation and mitigation have established the historical accumulation of greenhouse gas emissions by developed countries, which have contributed to climate change, she stated.

Mohamed Nasr provided the bigger picture beyond negotiations, of the 'informal' process that has mushroomed in Glasgow with the private sector and other stakeholders playing in the role, although the intergovernmental process remains at the core. He cited the 'Global Methane Pledge' as an instance in this regard as well as other initiatives from the International Civil Aviation Organization and other sectors. He informed that as the COP 27 Presidency, they are dealing with a wide spectrum of stakeholders including the international investors and thus aiming for a 'balanced approach' across the board.

He shared that Egypt is cognizant of the fact that having a one-sided outcome can be 'problematic'. 'Our reference has always been the UNFCCC and its PA, which provides a balance between mitigation, adaptation and means of implementation,' he shared, adding that 'if we deviate from this delicate balance, then the outcome will be in question'.

He pointed out that the success of COP 27 will be defined by a 'balanced, substantial outcome following the agreed balance in PA', which is about both mitigation and adaptation actions and that the latter is falling far short compared to the former. Thus there is a stress on the urgent needs of adaptation, loss and damage and building resilience with an 'integrated, holistic approach'.

In relation to the expected outcomes, Nasr shared the dilemma of being told that the GGA and the NCQG processes go beyond Egypt. However, as the COP 27 Presidency, Egypt envisaged 'stocktaking on the substance and progress achieved (on these matters)'. He said that although the Glasgow outcome was very mitigation-centric, it did have the 'promise' for adaptation and loss and damage; hence, progress on these elements must be assessed.

He also shared several challenges faced by developing countries in Africa, including the food and energy crises, in addition to the geopolitical crisis which was not anticipated, bringing difficulties and concerns to the Presidency. He also informed about the upgraded part of the informal process with a focus on 17 thematic issues of socio-economic dimensions, and that all information would be publicly available on the COP 27 Presidency's website.

In closing, Nasr highlighted that 'finance is the cornerstone' and how to advance this agenda considering the financial crisis in relation to meeting not only the US\$100 billion goal but the NCQG as well. He shared about Africa's debt crisis and that countries are not being seen as 'creditworthy', and that it is crucial to highlight

these elements and challenges. 'We need clear and focused asks from developing countries so that we can fight for them,' he underscored, adding that the developed countries have clear views on what they want.

Further, he stated that voices from civil society need to be heard and that 90% of what they are saying is also what the COP 27 Presidency is saying, hence we are in alignment. Nasr concluded by stressing on 'historical responsibility', translation of science targets into 'implementable actions' and flagging the SCF's 'Needs Determination Report' revealing a figure of US\$5-11 trillion in terms of actual needs of developing countries which no one talks about, while the focus is on the US\$100 billion climate finance goal (Copenhagen).

Developing countries stress importance of equity in the global stocktake

Bonn, 15 June (Hilary Kung) – At the closing plenary of the technical dialogue on the global stocktake (GST) held under the UNFCCC's Subsidiary Bodies (SBs) in Bonn, Germany on 14 June, several developing countries and their groupings stressed the importance of taking into account equity considerations in assessing the collective progress of Parties in implementing the goals of the Paris Agreement (PA).

Many of them emphasised the need to address the equitable access to the carbon budget to limit temperature rise under the PA, while taking into account the historical emissions of developed countries. Equity and just transitions were stressed as overarching considerations for developing countries in scaling up ambition in mitigation.

(The first GST will take place in 2023, to assess the collective progress of Parties in achieving the Agreement's goals, including on mitigation, adaptation, and the means of implementation and support, in light of equity and the best available science. The issues of loss and damage as well as response measures are also being considered.)

At the Bonn session, the technical assessment phase of the GST began, with the holding of an opening plenary session, roundtables and discussions in a 'world-café' format. The closing plenary was convened to hear from Parties their reflections on the discussions.

Pakistan, speaking on behalf of the Group of 77 and China, said that the focus has been on looking at the challenges and opportunities for enhancing implementation, ambition, and international cooperation in mitigation, adaptation and the key enablers of finance, technology transfer, and capacity-building for developing countries, as well as addressing response measures and loss and damage. Focused discussion on these issues should be given more detail and time during the session to

elicit from Parties and other contributors of inputs more holistic, systemic, cross-cutting, equity-oriented, backward- and forward-looking information inputs to be assessed and discussed, said Pakistan.

It also stressed the need to seek more inputs, including information coming from regional reports of regional organisations that may be relevant to the assessment of collective progress, as well as information about relevant systemic transformations, barriers and enablers, adding that sufficient regional representation of developing countries within GST activities is important and also called for more voices from the global South to speak and be heard, particularly from developing countries' governments, experts, and non-Party stakeholders, to share their expertise, lived experiences and realities, and proposals.

Saudi Arabia on behalf of the **Like-Minded Developing Countries (LMDC)** said that the PA brought us all together seven years ago around common goals, albeit through common but differentiated responsibilities and respective capabilities (CBDR-RC). We are now pausing momentarily to ask ourselves if it is working; what do we need to continue pursuing and what are the gaps?

On mitigation, it said that participants were presented with multiple pathways by the Intergovernmental Panel on Climate Change (IPCC) experts, which keep our temperature goals alive. All these reaffirm to us with certainty that deep reductions are needed, but there are many options presented which could achieve that, it added. The LMDC also indicated that the most appropriate strategies depend on national and regional circumstances, including enabling conditions and technology availability and most (of the pathways) do not make explicit assumptions

about global equity, environmental justice or intra-regional income distribution. It added that the remaining carbon budget is abysmally small, with a concurrent reality that developing countries face a climate challenge and a development challenge and that equity is cross-cutting in our understanding of the GST, including the matter of equitable distribution of the carbon budget.

It said that there was also a discussion on carbon dioxide removal methods to counterbalance residual GHG emissions. It stressed that as regards those approaches, the protection of Mother Earth is essential, including through eco-based approaches and sustainable forest management, which should not be confused with an automatic sink for developed countries to overlook mitigation responsibilities.

The LMDC stressed that pre-2020 commitments still exist and continue to persist and must be considered, adding that this is the time for the ambition of implementation and ambition of action. More targets will not be more useful, if we are not focusing on action and implementation on the ground. It said further that ambition is multifaceted and inter-dependent and that we cannot discuss ambition of action without discussing the critical gaps that remain in support. It stated that equity and just transitions will continue to be overarching areas of importance that cannot be addressed in isolation, but must be at the heart of our discussion on raising ambition.

For the LMDC, the equitable, not equal, sharing of the remaining carbon budget is rooted in the Convention and PA's understanding of historical responsibility for the current climate crisis. It said that the experts outlined the historic emissions as well as the explicit relationship between such emissions and development that ensued in regions globally. It is only common sense that the developing world is allotted the equitable share of the remaining carbon budget in its pursuits of sustainable development, poverty eradication and economic diversification. It also underscored that any attempt, through the outputs of the GST, to depart from or renegotiate any element of the bottom-up nature of the PA in any shape or form will not be accepted.

On adaptation, the LMDC said that the global goal on adaptation (GGA) is an explicit goal within the PA which still does not have substantive agreement. In order to be able to achieve such a goal we need to define it, both qualitatively and quantitatively, and swiftly advance towards its achievement. Identifying the parameters of the

GGA will take us one step closer towards the full implementation of the PA, it added further.

It also asked why Parties could not come to an agreement on what climate finance is and why the financial pledges remain as pledges and are severely lacking. It said that there is agreement that we want more ambition, but we also need to be sincere in applying that same urgency across thematic areas if we are committed to addressing the climate challenge.

Algeria, speaking for the **Arab Group**, shared its expectations for the next technical dialogue. The GST has to reflect further on the manner to operationalise equity and just transition to carbon-neutral production and consumption modes. These principles have to be contextualised in a balanced manner by referring to the Convention and its PA, bearing in mind the principle of CBDR-RC and Parties' national circumstances. Hence, it said that we have to reflect on how to apply the principle of equitable sharing of the remaining carbon budget in a concrete manner. Access to the remaining carbon budget is not only about mitigation, but has to be materialised in relation to other aspects, namely adaptation to the negative impacts of climate change and the provision of support to developing countries. It also proposed to focus reflections on the equitable sharing of the remaining carbon budget on regional aspects, adding that this kind of analysis would provide a sharper idea about the gaps, constraints, and obstacles to reaching the objectives set out by Article 2 of the PA, following equity and the best available science.

It said that the work of the GST needs to focus on the identification of aspects related to the enhancement of experience-sharing on actions with high mitigation potential, on data-management systems leading to the development of assumptions and projections taking into consideration the regional and national contexts, including socio-economic aspects, the attainment of the sustainable development goals and the Parties' nationally determined contributions (NDCs).

Ethiopia, speaking for the **Least Developed Countries (LDCs)**, said that in relation to mitigation, it wanted LDC-specific information, adding that information related to NDC ambition and implementation was not extensively discussed, as well as the kind of leadership role the major economies can play to put us on the path of 1.5°C in this critical decade. It expressed disappointment on the lack of attention given to the topic of loss and damage. On the financial needs and gaps, it

said that the various findings should be well captured and progress towards Article 2.1(c) of the PA should centralise issues of equity and justice, keeping in mind the context of LDCs. On technology, it sees the GST as a process to measure progress of transformational change, long-term vision, cooperation and delivery of ambition in the technology framework under Article 10 of the PA. It added that the outputs of this process should clearly show gaps in actions and support to realise the PA's long-term goals and drive action across all thematic areas.

Brazil, speaking on behalf of **Argentina, Brazil and Uruguay (ABU)**, said that discussions included the importance of developed countries taking the lead by undertaking economy-wide absolute emission reduction targets and developing countries continuing to enhance their mitigation efforts as mandated by Article 4.4 of the Paris Agreement (PA). It said that the collective progress in adaptation should be assessed through observed and projected impacts and risks; adaptation measures and enabling conditions; and climate-resilient development. It was of the view that the global goal on adaptation (GGA) is a crucial issue which needs to be considered at the next dialogue. On finance, it highlighted the need for the GST to not only address the progress achieved in capacity-building, technology and finance, but most importantly provide us with relevant information on how to overcome the current barriers and challenges faced by developing countries in means of implementation. These include enhancing direct access to grant-based resources, leapfrogging on the development, transfer and deployment of low greenhouse gas (GHG) emission technologies and taking a demand-driven, context-based approach toward capacity-building. It reiterated the importance of continuing to consider relevant cross-cutting issues like historical responsibilities, common but differentiated responsibilities (CBDR), equity and the best available science.

Trinidad and Tobago, speaking for the **Alliance of Small Island States (AOSIS)**, said that we are out of time for inaction. If we fail to close the 2030 gap, the 1.5°C limit of the PA will be lost and we are on track to blow past 3°C, with all the devastating consequences that we learned about from the recent IPCC reports. For warming beyond 1.5°C, ever-more limits to adaptation will be surpassed and ever-increasing loss and damage is the consequence. This grim reality is a truly cross-cutting issue that we all need to face in this dialogue. A focus on equity and the best available science

means that we all need to face the fact that everyone needs to do more, and much more. We need more ambition, we need more adaptation, we need more implementation and support including financial support for addressing loss and damage, added AOSIS.

It said that it heard discussion about how to split up the remaining carbon budget, and that without urgent emission reductions, the remaining carbon budget for 1.5°C will be running out in just a couple of years and soon, there will be nothing left to split. It said there is an urgent need to discuss the cross-cutting perspective on equity.

Panama, speaking for the **Independent Alliance for Latin America and the Caribbean (AILAC)**, called for the setting up of roundtables with expert discussions on the tools available to operationalise the shift to different development pathways and sectoral transitions and transformations, with a holistic review of the necessary enablers and drivers, and how they can be put in place, in particular, to allow developing countries to undertake the necessary transitions towards 1.5°C.

Zambia, speaking on behalf of the **African Group**, wanted to see a sharper focus on the GGA, where the work in that dialogue should begin to inform the GST, adding that some guidance will be needed on the adequacy and effectiveness of adaptation efforts and actions, and generally the Article 7.14 mandates of the PA. It said further that the cross-cutting issues, such as equity, CBDR-RC and support, are also central to the compilation of the big picture aggregate assessment of where we are. It called for a special focus on cross-cutting issues and linkages between the various thematic issues. Zambia added that the outcome of the GST should inform discussions on the new collective quantified goal (NCQG) on climate finance.

India looked forward to a summary report (of the first GST) that is comprehensive and inclusive, that captures all points of view expressed in the dialogue. On the process, it wanted a wider coverage of issues beyond the IPCC that are relevant to the GST process. It said there is a need for expert inputs that cover varied points of view rather than a selection rule of numerical majority from the literature, with the adequate presence of experts from non-Party stakeholders from the developing countries.

On substance, India stressed the need to continue to explore all issues keeping in view the principles of equity and CBDR-RC and operationally from the perspective of fair access to

the global carbon budget. It emphasised that the basis of equity considerations must begin with the full carbon budget, of which the equitable access to the remaining carbon budget will be a part. This approach will put the past, present and future in a unified framework, that is obvious since it is all cumulative emissions that contribute to the global temperature increase. It said that one of the key issues raised in the dialogue had been the need for developed countries to take the lead in mitigation, adaptation, loss and damage and means of implementation, all of which are underpinned by their overconsumption of the global carbon budget. It is lack of this leadership of developed countries which has been one of the profound drags on global climate action, and the GST would fulfil its purpose in a major way if we were able to discuss this in some detail, including hearing from developed countries on how they propose to overcome it. It said further that it had been an ambitious effort to undertake the GST when definitions of climate finance are still under discussion, and intensified work on the global goal on adaptation (GGA) has begun again after slow progress. These aspects must be kept in mind.

China said that the understanding of the carbon budget and emission pathways should be on the basis of equity and CBDR-RC, and in light of the best available science. In international cooperation, the adequate and matched support and the leading role of developed countries in mitigation actions would be the essential enablers for developing countries to implement climate actions, it added. It called for more voices and experts from developing countries to address the imbalance in subsequent technical dialogues and also called for more time and discussion to be given to cross-cutting issues and topics raised by developing countries, including equity, historical responsibilities, economic diversification, just transition, the GGA, and the effectiveness of technology transfer and capacity-building.

Bolivia said that in the assessment of the collective progress of actions, there is the need to address the effective protection of Mother Earth, and not only of living beings. It stressed the need to address fully the potential of non-market approaches as the only way to achieve a real transformation in the world, strengthening the economies of solidarity, reciprocity and complementarity, adding that moving away from greed and capitalism is the only way to eliminate the structural drivers that are producing the current climate crisis. It also called for the equitable

distribution of the carbon space, based on equity and historical responsibility, and to avoid a new phase of ‘carbon colonialism’, which is an attempt to impose binding obligations on developing countries in order to achieve net zero by 2050, while giving enough flexibility and comfort to developed countries to achieve their transition to zero-carbon economies.

It added that the GST must take into account history and that the future cannot be addressed without looking backwards to what happened in the past, and stressed the need to address the pre-2020 commitment gaps in the assessment of progress. It also called for the involvement of the UNFCCC’s Local Communities and Indigenous Peoples Platform (LCIPP) to introduce views of living in harmony with Mother Earth in order to address the climate crisis and its solutions based on multiple worldview systems of knowledge, and not only base the GST on the Western science.

Canada said there was successful progress in Bonn, but despite this, the science is clear that we are not moving fast or going far enough, adding that the technical dialogue has demonstrated that there are real solutions available now. It highlighted the example in the mitigation roundtable of the EU Green Deal for a robust policy framework for driving down emissions across economies in the nationally determined contributions (NDCs). While appreciating the contributions of the IPCC experts on the latest scientific assessment, it also appreciated the multiple dimensions of the equity on climate actions and the importance of just transition for workers in high emitting sectors. It said further that from its perspective, equity does not entail a race to capture a larger share of the remaining carbon budget.

Australia said that it had high expectations for this process to lead to high collective NDC ambition. It added that there is a direct relationship between aggregate mitigation efforts and the level of adaptation required and loss and damage accrued, and highlighted the need for all high major emitters to continue efforts for the highest possible ambition in their mitigation efforts. It also called for a greater need to focus on the leadership role played by women in challenges in adapting to climate change as well as the experiences and knowledge of indigenous people in delivering assistance to the vulnerable communities; this will make sure our system reaches the most vulnerable communities in all of our countries. It said further that despite increases in global climate finance, we have identified a significant gap in terms of access,

and this really highlights the urgent need to shift all financial flows to the goals of the PA .

The **United States** (US) said that it appreciated the candid conversations during the dialogue and agreed with the LMDC that sufficient time was needed to unpack the issues at hand. On mitigation, the US said that presentations highlighted the latest science that although we are starting to bend the emission curve, we are not on track to the 1.5°C pathway. The US is concerned that the mitigation discussion has too little focus on the opportunities to enhance action and too much focus on who should do what and why.

It wanted future roundtables to focus on the greatest opportunities for global mitigation efforts, including the sector-specific discussion and initiatives which can contribute to the discussion on opportunities to enhance mitigation efforts in relation to Parties' NDCs and long-term strategies.

It referred to the role of methane and the importance of just transition and incentives to promote zero-emission vehicles. On finance, it said that as per the IPCC, there is sufficient global capital available to meet the goals of the PA but more needs to be done to shift this capital to align with the PA goals. On adaptation, it said that there was a good exchange on the past, current and future risks and the need for improved governance. In terms of support for adaptation, it stressed the role of private sector actors as they work to build resilience across the supply chain and wanted further discussions on the above.

At the contact group meeting held on the afternoon of 14 June on the GST, Parties reiterated many of the points they raised during the closing plenary of the GST's technical dialogue. They will meet again on 15 June to finalise procedural conclusions on the way forward and the next steps.

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More work required to seek balanced outcomes in Egypt

Bonn, 20 June (Hilary Kung and Meena Raman) – The UNFCCC’s Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) concluded their 56th session meetings (SB 56) on 16 June to arrive at conclusions on various matters in the run-up to COP 27 (which will take place in November this year in Sharm el-Sheikh, Egypt). The SB meetings began in Bonn, Germany on 6 June.

Developing countries, led by the **G77 and China**, expressed regret that the SB 56 session did not see a balance across all issues, with loss and damage-related issues being stymied. Many developing country groupings also expressed disappointment at the lack of concrete progress on issues of loss and damage, adaptation and means of implementation.

Ambassador Wael Aboul Magd of Egypt, representing the incoming **COP 27 Presidency**, noted that ‘some progress has been made on several agenda items, yet others continue to be affected by divergent views, and hence will require more intersessional work to ensure that the work in Sharm El Sheikh will start from the most advanced point possible’ (in terms of negotiations on the issues).

The SBI’s closing plenary was first convened by its Chair, **Marianne Karlsen (Norway)**, in the afternoon of 16 June, followed by the closing plenary meeting of the SBSTA convened by its Chair, **Tosi Mpanu-Mpanu (Democratic Republic of Congo)**. These plenaries were followed by a joint session of the SBs on matters relating to both bodies, and also to hear closing statements from groups and Parties.

In the morning of 16 June prior to the closing plenary sessions of the SBs, informal consultations with Heads of Delegation (HODs) were convened by the SB Chairs to finalise matters relating to the

Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation (GGA) and the mitigation work programme (MWP). According to sources, developing countries wanted the decisions reached to ensure that work progressed in a balanced manner between adaptation and mitigation. The developed countries were more concerned about the MWP compared to the GGA work programme. Once the conclusions on the GGA were finalised at the HODs, agreement on the way forward on the MWP was reached.

As regards the proposal by the **Like-Minded Developing Countries (LMDC)** which was supported by the **G77 and China** for an additional agenda item on the Glasgow dialogue on loss and damage (GD), SBI Chair **Karlsen** at the official plenary session reported that informal consultations among Parties did not lead to any consensus on the matter. According to sources, this was due to the opposition of developed countries to this proposal, especially the **United States**.

(Further details on these matters above and also on other agenda items will follow in further updates.)

Following the interventions by groups of Parties and countries at the final joint-plenary session, **Ambassador Magd (Egypt)** also said that he had yet to see the political will and readiness to compromise at the technical level. While respecting the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC) between developed and developing countries, he urged Parties to find ways to ensure that appropriate means of implementation, particularly climate finance, are available and accessible to support developing countries as they strive to contribute to this global effort while pursuing their legitimate aspirations for sustainable development and elimination of poverty. He also called for

progress towards addressing the issue of loss and damage in a manner which meets the needs of countries and communities who continue to suffer the consequences of climate change.

Magd also said that we should refrain from dealing with the climate challenge as a zero-sum equation where it is either North versus South, or mitigation versus adaptation, or governmental versus non-governmental, adding that ‘at a time when we are facing multiple global challenges ranging from a post pandemic economic slowdown to a geopolitical situation with impacts on energy and food prices to a persistent debt crisis in many countries The issue of climate change must be the area where we commit to working together and where we demonstrate unity against this existential threat and show leadership as we move forward to address it.’ He stressed that ‘now is the time for implementation.’

Closing interventions

Pakistan, speaking for the **G77 and China**, said that it had emphasised the importance of balanced progress across all issues, including adaptation, mitigation, means of implementation and loss and damage, and added that it was regrettable that it did not see the balance and that discussions on loss and damage-related issues remained stymied.

It said further that the G77 had put forward practical and pragmatic proposals to strengthen the institutional and funding architecture to effectively address loss and damage and yet, there was no agreement on the institutional structure and operational modalities needed to catalyse technical assistance through the Santiago Network on loss and damage (SNLD). On the proposed additional agenda item on the GD, it expressed dissatisfaction with the way this issue was handled.

Adaptation remains a key priority for the group, said Pakistan, while finance remains the cornerstone for ensuring successful and effective implementation of the Convention and its Paris Agreement (PA). Provision of financial and technical support to developing countries for reporting must be adequate and predictable, it added further. In relation to the work programme on the new collective quantified goal (NCQG) on finance, it stressed the need for guaranteeing concrete, in-depth discussions on its main elements in a timely manner. The debate on the ‘quantum’ of the NCQG is a priority, said the G77.

It also stressed the great values of the Adaptation Fund (AF) as an effective tool for the developing countries due to its unique nature and legal standing, adding that it is the only fund dedicated to concrete adaptation efforts through full cost grants.

On technology development and transfer, it called on developed countries to support the implementation of the Convention and the PA by strengthening the Technology Mechanism and the Climate Technology Centre and Network (CTCN), in particular through the provision of adequate financial resources. It also stressed that for the future sessions of technical dialogue under the global stocktake (GST), more voices from the global South should be invited.

Bolivia on behalf of the **LMDC** expressed its disappointment that the proposal for an agenda item on the GD was not agreed to, and that the rich discussions from the GD workshops could not be reflected in any (Party-driven) formal outcomes. It stated the world expects more out of Parties, and not just the organisation of dialogues, roundtables and discussions. ‘We need to translate the discussions into outcomes we can implement and make a difference in the lives of people who are suffering the consequence of a crisis they have not caused,’ said Bolivia further, and requested developed countries to not pay lip service to issues of adaptation, loss and damage and means of implementation.

It also warned against any attempt by Parties to renegotiate the Convention and the PA (in reference to concepts introduced in the MWP discussions). It said that such attempts portend a difficult COP 27 and added that the LMDC will not compromise on the principles of equity, common but differentiated responsibilities (CBDR) and climate justice, stressing that ‘these form the bedrock of climate action.’ It also said that it had reiterated the importance of balanced progress on all issues, but often found ‘ourselves to be not on a level playing field because issues important to us are not reflected either in the agendas or they fall through the cracks during the discussions’. It appealed to the SB Chairs and the incoming COP 27 Presidency to restore balance in the process, adding that adaptation, loss and damage and the means of implementation are very key areas for developing countries and hoped for meaningful progress in these areas, as well as in mitigation, in Sharm el-Sheikh.

Zambia on behalf of the **African Group** registered disappointment that consensus could not be reached on the agenda item on the GD and stressed the importance of advancing work on clarifying financing arrangements for loss and damage. Likewise, for the SNLD, it was disappointed with the lack of willingness to engage on this item, and hoped for agreement on its operationalisation at COP 27. On finance, it said that African countries urgently require the means to implement their ambitious nationally determined contributions (NDCs) and are concerned about the lack of focus under the work programme for the NCQG. On the GST, it requested dedicated sessions at the next round of the technical dialogues on cross-cutting issues and linkages, including equity and support. It called for a comprehensive aggregate assessment that will help assess ways to collectively meet the goals of the PA and fully implement it with the enabling support, in the context of sustainable development and on the basis of CBDR-RC, equity and best available science.

Antigua and Barbuda on behalf of the **Alliance of Small Island States (AOSIS)** registered its disappointment at the lack of substantive progress in critical areas. It said that considering the big picture, there have been no more assurances that the finance needed now will be delivered at scale or speed. It called on developed countries to double adaptation finance pledges before Sharm el-Sheikh, adding that the process felt out of step with reality and the pace was too slow. It added that the first GD saw rich conversations, but this is too little, too late. ‘We are here to negotiate; not to educate,’ it stressed, that ‘loss and damage is being written out of our tracks’ and that ‘science must be the basis of our decisions here, yet we leave with disappointing conclusions.’ It expressed further that ‘this is an unconscionable way to negotiate with vulnerable countries.’

Senegal on behalf of the **Least Developed Countries (LDCs)** also expressed its disappointment that SB 56 was not able to advance the work on many fronts in line with its high expectations and that ‘the outcomes are underwhelming’. It expected COP 27 to substantively advance work on the MWP to urgently scale up mitigation ambition and implementation, the GGA, financing for loss and damage and operationalisation of the SNLD, and many other finance-related agenda items, including on improved access.

India on behalf of **Brazil, South Africa, India and China (BASIC)** said that BASIC countries have exhibited leadership in coming forward with ambitious NDCs and announcements that go beyond their fair share contribution. It said that they now have ambitious targets to implement, but there is poor progress on the means of implementation. It called for urgent progress on means of implementation, particularly on climate finance and technology, to accelerate our actions in this critical decade, adding that the upcoming COP should focus on delivering finance, technology, and capacity-building support as the key enablers of implementation. It said that the reports of the Intergovernmental Panel on Climate Change (IPCC) also observed a lack of progress in adaptation as well as climate finance. It said that there are critical gaps in adaptation actions and climate finance support to developing countries from developed countries and that the experience so far with the climate finance delivery is a stark reminder to all of us that the ambitions will not yield results unless they are converted into actions. It also echoed the call for a greater balance by devoting more time to securing information and discussion on priority concerns of developing countries, including on linkages and cross-cutting issues such as equity and support.

Chile for the **Independent Alliance of Latin America and Caribbean countries (AILAC)** said that during the first technical dialogue of the GST, it heard the experts from the IPCC assert that ‘there is sufficient global capital and liquidity to close global investment gaps to (limit temperature rise) 1.5°C.’ It said that ‘the failure to meet the goal of USD100 billion has never been a problem of money’ and called for ‘the mobilisation of financial resources from all sources’. It said that calling for loss and damage finance is a reality for which there must be an answer. It also called for a concrete result from the adaptation agenda.

Brazil for **Argentina, Brazil and Uruguay (ABU)** said that this session has shown that developing countries will face serious difficulties, due to the lack of interest of some Parties in delivering equally ambitious goals for adaptation, loss and damage and means of implementation. On climate finance, the success of COP 27 ‘will be measured by our capacity to deliver on means of implementation’, it added. It said further ‘that the GST highlighted the importance to address not only the progress achieved in capacity-building, technology, and finance but most importantly

providing us with relevant information on how to overcome the challenges faced by developing countries’.

It also called for urgent progress on the NCQG on climate finance by setting a clear roadmap. It said that to have successful implementation, we must advance in bringing adaptation, loss and damage and means of implementation to the same level ambition of mitigation, adding that Parties have different starting points in regard to implementation, and we cannot go on if we overlook this fact. The PA explicitly establishes that implementation is to reflect equity and the principle of CBDR, said Brazil further.

Venezuela for the **Bolivarian Alliance for the Peoples of Our America (ALBA)** recalled that the PA is a legally binding instrument that must be upheld; it cannot be eroded from the commitments Parties made. It reiterated the principle of CBDR and the importance of the non-market approaches under Article 6.8 (of the PA).

Saudi Arabia on behalf of the **Arab Group** stated that achieving the GGA is an important enabler to achieving the full implementation of the PA. On mitigation, it hoped that the MWP will complement the GST, while respecting the CBDR principle. On the GST, it called for a balance with regard to the means of implementation, adaptation and mitigation.

Papua New Guinea for the **Coalition for Rainforests Nations** said, ‘Transitioning to renewable energy will not be enough, and we need the land use sector, in particular forests, to achieve net zero by 2050.’ It further stated that the Article 6 mechanisms (of the PA) should contribute to net zero and reward developing countries’ actions to reverse deforestation and enhance carbon stocks. It also outlined its expectations on Articles 6.2 and 6.4 where the Article 6.2 review should not duplicate any assessment already undertaken under Article 5 (on forests) and any new process agreed under Article 6.4.

The European Union admitted that there was uneven progress. On mitigation, it said that we are guided by the Glasgow Climate Pact and the real urgency of scaling up mitigation ambition and implementation in this critical decade. It had hoped that all Parties shared this same sense of urgency ‘to ensure that the MWP contributes to the success of COP 27’. It said that ‘despite all efforts, we were not able to formally acknowledge the work from our discussions here, but we look forward to sharing our views and engaging constructively at the

workshop in Sharm to deliver the progress that the world expects.’

Australia for the **Umbrella Group** welcomed the exchange on the MWP and also stated its disappointment that some have blocked the capturing of the rich discussion at this session. It said that COP 27 must deliver an outcome that spurs on greater mitigation ambition and effective implementation in this critical decade to keep 1.5°C alive. (The Umbrella Group refers to Australia, Canada, Iceland, Israel, Japan, New Zealand, Kazakhstan, Norway, Ukraine and the United States. Russia and Belarus used to be members of the Umbrella Group until March 2022.)

Switzerland for the **Environmental Integrity Group** said that losing the 1.5°C limit must not be an option, adding that progress was not sufficient. ‘If we continue to work like that, we will neither deliver on the MWP, nor on the clear mandate to operationalize the SNLD, a tool developed to deliver quick technical assistance to address increasing urgency.’

SBI closing plenary

During the SBI closing plenary, following the adoption of conclusions on the various agenda items, Parties made interventions on three matters.

Pakistan on behalf of the **G77 and China** registered its serious concerns over the lack of a substantive outcome at SB 56 on financing the formulation and implementation of National Adaptation Plans (NAPs).

Antigua and Barbuda on behalf of the **Alliance of Small Island States (AOSIS)** commented that the SBI plenary was conducted at a rapid pace and requested the SBI Chair under her own authority to provide a report that captured the fruitful exchange of discussions on the GD, and also wanted the full video of the session in this regard to be uploaded. **Karlsen** noted the request and said that she would be in contact with the secretariat on the matter.

SBSTA closing plenary

During the SBSTA closing plenary, on the agenda item on ‘Matters related to science and review’, **India** delivered a strong intervention that it was disappointed that the draft conclusions are unable to note the most significant advances of the three Working Group Reports of the IPCC that have provided through the concept of global carbon

budgets – a foundational view of past, present, and future responsibility (of Parties). Fair access to the global carbon budget should be the basis for the operationalisation of equity, said India.

It added that there are many scenarios and mitigation pathways in the scientific literature, but most of them are not based on equity nor are the regional assumptions explained. ‘There is much work to do, and yet we have not thought it fit to reach a conclusion on these questions and accept

them even as research questions,’ said India, stressing that ‘the conclusions do not capture the discussion of these issues in several other meeting rooms and processes including the Second Periodic Review and the Technical Dialogues (under the global stocktakes). Selective picking of the facts from the reports will not help us to move positively and fairly in the UNFCCC process. We urge that colleagues be more open-minded on discussions of what is well-accepted in the scientific literature.’

No consensus on membership of Adaptation Fund Board

Kathmandu, 22 June (Perna Bomzan) – At the recently concluded 56th session meetings of the UNFCCC's Subsidiary Bodies (SB 56) from 6 to 16 June in Bonn, Germany, climate finance negotiations mainly addressed matters relating to the Adaptation Fund (AF), its fourth review and membership of the AF Board, with the latter not resulting in any conclusions due to an absence of consensus.

For the developing countries, the issue of the AF Board membership is to be addressed in the future, once the AF exclusively serves the Paris Agreement (PA). However, the **United States (US)** and **Switzerland** for the **Environmental Integrity Group (EIG)** argued that discussions in advance would be useful in addressing the matter.

(The AF was established under the Kyoto Protocol and is funded from a share of proceeds from the Clean Development Mechanism and other voluntary contributions from developed countries. A share of proceeds from the Article 6.4 mechanism under the PA is supposed to go to the AF, but the mechanism is yet to be operationalised. The US and Canada are not Parties to the Kyoto Protocol.)

Speaking for the **G77 and China**, lead climate finance negotiator **Zaheer Fakir (South Africa)** made clear in the very first informal consultations that the group did not see the need to dwell on the matter or even have an agenda item, maintaining that the AF and its current Board membership works well. It could be reviewed later once the AF exclusively serves the PA (when the share of proceeds from the Article 6 market mechanisms is available), and hence, discussions were no longer necessary around membership and governance issues until then, elaborated Fakir further.

The US and the EIG, in particular, could not agree to this and given the absence of consensus

on the way forward, the Chair for the Subsidiary Body for Implementation (SBI) eventually applied Rule 16 of the UNFCCC's draft Rules of Procedure at the closing plenary on this agenda item, which means that this matter will be included at the next SB 57 session to be held in November 2022 in Egypt. (According to Rule 16: *'Any item of the agenda of an ordinary session, consideration of which has not been completed at the session, shall be included automatically in the agenda of the next ordinary session,...'*.)

Besides matters relating to the AF, the other climate finance issue that featured in conjunction with the SBs was the mandated event on the 'Second Technical Expert Dialogue under the Ad hoc Work Programme on the New Collective Quantified Goal on Climate Finance' which was conducted on 13-14 June.

Matters relating to the AF

Membership of the AF Board

With the first informal consultations on 8 June hearing divergent views between developed countries mainly from the **US** and the **EIG** and developing countries on the issue of membership of the AF Board, the matter was closed during the second session of consultations held on 14 June. Co-facilitator **Diann Black-Layne (Antigua and Barbuda)** concluded that there was no consensus on the way forward and that this would be reported to the SB Chairs.

The **G77 and China** insisted on strictly sticking to the mandate regarding the matter when it could be discussed later, once the AF starts serving the PA, for the consideration of new members on the Board. The **US** and **Switzerland** for the **EIG** wanted discussions around the issue of the AF governance.

Norway and the **European Union (EU)** also agreed to not having any immediate need to continue deliberations on the matter.

The push for a decision to not include it as a future agenda item was led by the **G77 and China** and supported by its sub-groups **Zambia** for the **African Group (AG)**, **Nepal** and **Malawi** for the **Least Developed Countries (LDCs)**, **Honduras** for the **Independent Alliance of Latin America and the Caribbean countries (AILAC)**, **Saudi Arabia** for the **Arab Group**, **Maldives** for the **Alliance of Small Island States (AOSIS)**, **India**, **China**, and **Pakistan**.

At the closing plenary, SBI Chair **Marianne Karlsen (Norway)** said that having noted the absence of consensus on the issue, it is concluded that it will be included in the provisional agenda of SBI 57 (November 2022) with Rule 16 of the draft Rules of Procedure being applied.

Fourth Review of the AF

The SBI informal consultations in Bonn initiated discussions around the mandated issue of the fourth review of the AF. In particular, three contentious issues emerged while finalising the draft conclusions text towards the end of the negotiating sessions.

In the 11 June iteration of the text, the language on ‘full-cost, grant-based finance’ was inserted following deliberations the previous day where **South Africa** for the **G77 and China** asked for its inclusion reflecting a ‘statement of fact’ of what the AF provides to developing countries. This was however contested by the **US**. This stance of the **US** was viewed by developing countries as worrying, since it was questioning the continued grant-based finance to developing countries via the AF for adaptation projects.

The final text of the conclusions adopted on 15 June contains the words ‘currently providing’ as compromise language suggested by **South Africa**.

Paragraph 4 of the agreed conclusion reads: *‘The SBI also recognized the important role that the Adaptation Fund has played and continues to play in the climate finance architecture and its unique features that have enabled the Fund to significantly contribute to meeting the support needs of developing country Parties, for which the Adaptation Fund has been and is currently providing full-cost, grant-based finance for concrete projects, programmes and readiness development relating to adaptation, including through its direct access modality, its focus on*

action, innovation, learning and sharing knowledge and best practices, and its gender policy and action plan.’

The **G77 and China** said that since its inception over 12 years ago, a total of only US\$1.4 billion was reported as resources to the AF, which clearly raises questions about the predictability and sustainability of the AF. In the context of the review, the G77 also highlighted the need to look at the adequacy and sustainability of adaptation finance as an important element, with the AF pioneering in terms of the direct access modality, further leading the path to the Green Climate Fund (GCF) in this regard. (The use of the direct access modality is a difficult issue at the GCF, with much of its resources going through international accredited entities rather than through national entities.)

The second issue was for the inclusion of language on ‘accessibility’ to the AF that was advanced by **Malawi** for the **LDCs** and supported by the **G77 and China**, **AOSIS**, **AG**, **AILAC**, **Argentina**, **Brazil** and **Uruguay (ABU)**, **Arab Group**, **China**, and **India**.

The **G77 and China** also asked for the inclusion of the words ‘important priority for developing countries’. The final text in paragraph 3 reads as follows: *‘The SBI recognized that the review of the Adaptation Fund follows a well-established process with the objective of ensuring the effectiveness, sustainability and adequacy of the Fund and its operations. The SBI underlined that the review of the Adaptation Fund is an important process, and the accessibility of the Fund is an important priority for developing countries. The SBI recognized the importance of addressing accessibility of the Fund in the fourth review.’*

The third issue that arose was around the inclusion of references to both the Conference of Parties to the PA (CMA) and the Conference of Parties to the Kyoto Protocol (CMP) decisions in the draft conclusions. They are now contained in paragraph 2 of the final text.

Developing countries led by the **G77 and China** did not see any relevance of referencing decision 13/CMA.1, given that the review of the AF is solely the responsibility of the CMP and the CMA has no role in the matter. The push by the **US** and other developed countries to include the CMA decision was thus seen as creating a space for the CMA to start deliberating on the future role of the AF.

The G77 had called for the deletion of paragraph 2 altogether, but accepted the final text as a compromise with the inclusion of reference to

the CMP decision as well. The final text therefore reads as follows: *‘The SBI recalled decisions 13/CMA.1 and 4/CMP.16, annex, containing the terms of reference for the fourth review.’*

The New Collective Quantified Goal (NCQG) on climate finance

The mandated second technical expert dialogue under the ad hoc work programme on the NCQG (to be from 2022-2024) was convened by Co-Chairs **Kishan Kumarsingh (Trinidad and Tobago)** and **Federica Fricano (Italy)**.

(At COP 21 in 2015, it was decided that, prior to 2025, the CMA shall set an NCQG from a floor of US\$100 billion per year, taking into account the needs and priorities of developing countries. In Glasgow in 2021, Parties agreed to establish the ad hoc work programme on the NCQG from 2022 to 2024. The CMA also decided to conduct four technical expert dialogues per year.)

The two-day dialogue saw expert panel discussions with moderated break-out group discussions on the ‘landscape of issues’ identified in the Co-Chairs’ reflection note of the first technical dialogue (24-25 March in Cape Town, South Africa) as well as on ‘milestones, approaches, and elements in 2022’ including on how progress could be captured for 2022 at the CMA 4 session in Egypt in November.

In concluding the dialogue, the Co-Chairs informed that they would come up with their next ‘reflections note’ based on the inputs received

during the Bonn session, pointing out that the issues of ‘quantity’ (of climate finance) and ‘tracking’ of the finance clearly featured as key matters based on the report-backs from the break-out group discussions. (Developed countries in the dialogues have expressed their reluctance to talk about the ‘number’ for the NCQG, which they view as being too early in the process.)

Ambassador Mohamed Nasr (Egypt), representing the **incoming COP 27 Presidency**, in his closing remarks highlighted its objective to ‘make significant progress on the crucial issue of climate finance’ further underlining the importance of ‘adequacy’ and ‘predictability’ of finance as ‘key to achieving the goals of the PA’. He also laid emphasis on both mitigation and adaptation finance goals, with the latter currently lagging behind, citing that the biennial assessment flows from developed countries are far less than expected needs.

Nasr reminded everyone about the lessons learnt from the current unfulfilled US\$100 billion per year goal (by 2020 which was then extended to 2025), urging for the development of the NCQG based on the needs and priorities of developing countries (as reflected in the first Needs Determination Report by the UNFCCC’s Standing Committee on Finance in the range of US\$5-11 trillion for the implementation of developing countries’ nationally determined contributions). He also underscored the need to make ‘more substantive progress’ on this new climate finance goal at the CMA 4 session in Egypt.

TWN

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Conclusions on mitigation work programme reached after much wrangle

Penang, 23 June (TWN) – Parties to the UNFCCC adopted conclusions on the mitigation work programme (MWP) after much wrangle at the recently held 56th session of the UNFCCC's Subsidiary Bodies (SB 56) that took place in Bonn, Germany from 6 to 16 June.

The contention arose over whether an informal note prepared by co-facilitators **Carlos Fuller (Belize)** and **Kay Harrison (New Zealand)** should be captured in the conclusions of the SBs. Following much debate, the conclusions were adopted without the co-facilitators' informal note. (See further details below.)

(In Glasgow last year, Parties had agreed 'to establish a work programme to urgently scale up mitigation ambition and implementation' in this critical decade, and requested the SBs to recommend a draft decision on this matter for consideration and adoption by CMA 4 [fourth meeting of the Conference of Parties to the Paris Agreement] which will take place in Egypt in November this year, 'in a manner that complements the global stocktake'.)

According to the conclusions adopted, the Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA) 'took note of the constructive discussions' held under the agenda item, invited Parties to submit their views on the work programme by 30 September 2022 and 'requested the secretariat to organize, under the guidance of their Chairs, a pre-session workshop on the work programme...open to all Parties prior to CMA 4'.

Parties had first exchanged views on the MWP on 7-8 June. (See related [TWN Update](#).)

Following these exchanges of views, the co-facilitators issued an informal note on the discussions held. The note comprised various headings such as 'guiding principles' related to the

work programme, 'objective, outcomes, scope, modalities, institutional arrangements, inputs, outputs' and advancing the work on the draft decision before CMA 4, and had the following disclaimer: *'The draft elements contained in this note have been prepared by the co-facilitators under their own responsibility. These elements are preliminary, not exhaustive and have no formal status. They are intended to assist Parties in advancing the discussions on this matter and do not prejudice further work or prevent Parties from expressing their views at any time.'*

Reflecting on the informal note, several groups of Parties and countries reiterated their positions and said they would send their comments in writing because their views were either not reflected or not adequately captured in the informal note. They also expressed their discomfort with certain elements featuring in the informal note.

The **United States (US)**, **Canada**, **Australia**, **Norway**, the **Environment Integrity Group (EIG)**, and the **European Union (EU)** expressed their discomfort with the 'guiding principles' heading, which included elements such as 'be based on the principles and provisions of the Convention and the Paris Agreement (PA), including equity and common but differentiated responsibilities and respective capabilities (CBDR-RC)' and 'be led by developed country Parties', among others.

The **Like-Minded Developing Countries (LMDC)**, the **Arab Group**, the **Africa Group** and **ABU (Argentina, Brazil and Uruguay)** expressed their concerns with the 'outcomes' section of the informal note, which comprised elements such as 'nationally determined contributions (NDCs) and concrete actions by major emitters with capabilities', among others. Developing country groups stressed on reflecting differentiation in the manner in which it is articulated in the Convention

and the PA (which is ‘developed’ and ‘developing countries’ and not other categories such as ‘major emitters’.)

China strongly objected to the introduction of new terms outside the scope of the UNFCCC and the PA, as part of the MWP. It added that legal procedures exist to amend the Convention and the PA, and should Parties wish to introduce new categories of countries, they should not do so under the MWP. It said further that the informal note should capture the views of all Parties, but not those views that are outside the mandate of the MWP.

Following the deliberations, the co-facilitators of the MWP issued an updated version of the informal note on 14 June, with the following disclaimers: *‘It does not represent agreement among Parties and is without prejudice to what will form the basis of negotiations. Nothing in this informal note purports to amend the Convention or PA, including with respect to specific terminology used. This informal note is intended to assist Parties in advancing the discussions on this matter and does not prejudice further work or prevent Parties from expressing their views at any time. This informal note does not represent agreed views, ideas or text, does not attempt to draw any conclusions on possible areas of convergence or divergence, and does not make any judgment on whether information contained in it is within or outside the scope of or mandate under this agenda item. The structure, including headings, of and information in this informal note are preliminary, not agreed and not exhaustive. The order of the information contained in the note does not correspond to any hierarchy or sequencing of proposals according to convergence or importance.’*

(The words ‘major emitters’ were not reflected in the revised informal note.)

The co-facilitators also issued draft conclusions which ‘took note of the informal note prepared by them, recognizing that the content therein does not represent consensus among Parties’. The co-facilitators sought the views of Parties on further intersessional work, including submissions and workshops prior to COP 27/CMA 4.

China spoke for the **Like-Minded Developing Countries (LMDC)** and said that the informal note was not balanced, had many duplications, misplaced issues, and ‘included many views that have crossed the redlines of our group’. It suggested that the SBs not take note of the

informal note at this stage and instead proposed that Parties took note of the ‘constructive discussion under this agenda item during this session’.

With respect to the call for submissions, **China** said that the LMDC was of the view that it was necessary for Parties to think about the purpose of the work programme, how to design it, how the work programme could enhance implementation of NDCs and facilitate means of implementation support to developing countries and how to avoid duplication with the global stocktake. The LMDC suggested that these topics be included in the conclusions. It also added that the LMDC preferred not to have workshops at this stage, but to leave more time for Parties to have comprehensive deliberations.

The **Arab Group**, the **BASIC (Brazil, India, China, South Africa)** and **Algeria** supported the LMDC intervention. The **African Group** and **Argentina, Brazil and Uruguay (ABU)** also supported the LMDC call of not referencing the informal note in the draft conclusions.

The **EU**, the **EIG**, **Norway**, the **US**, **Japan** and the **Independent Alliance of Latin America and the Caribbean (AILAC)** were of the view that a shorter and concise informal note was preferred, and that the note needed to be streamlined. They were however fine with the manner in which the informal note was reflected and supported the idea of having submissions and intersessional workshops. Further, the **EU**, **EIG**, the **US** and **Japan** said they would not agree to any specific themes for the submissions mentioned in the conclusions.

Following the disagreements, **SBI Chair Marianne Karlsen (Norway)** and **SBSTA Chair Tosi Mpanu-Mpanu (Democratic Republic of Congo)** convened a meeting of the heads of delegation (HODs) to seek their views on a possible resolution.

Ahead of the HODs meeting, the SB Chairs issued an updated version of the draft conclusions which did not have reference to the informal note; had a general call for submissions without mentioning any specific themes; and a request to the Secretariat to organise a pre-sessional workshop on the MWP.

During the HODs meeting, according to sources, **AILAC** proposed that the Secretariat synthesised the submissions received and for this to be reflected in the draft conclusions. The **African Group** it seems proposed defining the focus of the workshop to be around ambition and implementation.

The **LMDC**, the **EU**, and **Norway** were of the view that they did not see any value in a synthesis of submissions and the **US** objected to the African Group's proposal of defining the scope of the workshop.

It was learnt that discussions in various huddles followed at the HODs meeting, and with further consultations, Parties agreed to the conclusions proposed by the SB Chairs, i.e. without the call for synthesising the submissions and without defining the scope of the workshop.

The key highlights of the conclusions on the MWP which were agreed to read as follows:

'1. The SBI and the SBSTA convened informal consultations jointly to consider matters relating to the work programme for urgently scaling up mitigation ambition and implementation referred to in paragraph 27 of decision 1/CMA.3.

2. The SBI and the SBSTA took note of the constructive discussions held under this joint

agenda item during this session, fostering enhanced understanding on the work programme referred to in paragraph 1 above.

3. The SBI and the SBSTA agreed to continue work on matters relating to the work programme for urgently scaling up mitigation ambition and implementation in this critical decade referred to in paragraph 27 of decision 1/CMA.3 at SB 57 (November 2022), with a view to recommending a draft decision thereon for consideration and adoption by...the CMA at its fourth session (November 2022), in a manner that complements the global stocktake.

4. The SBI and the SBSTA invited Parties to submit their views on the work programme via the submission portal by 30 September 2022.

5. The SBI and the SBSTA requested the secretariat to organize, under the guidance of their Chairs, a pre-sessional workshop on the work programme referred to in paragraph 1 above open to all Parties prior to CMA 4.'

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The agenda fight over the Glasgow Dialogue on Loss and Damage

Penang, 24 June (Meena Raman) – Parties failed to reach consensus on the agenda item on ‘Matters relating to the Glasgow Dialogue (GD) on loss and damage’ at the recently held 56th Session of the UNFCCC’s Subsidiary Bodies (SBs) that took place in Bonn from 6 to 16 June.

Prior to the Bonn session, the **Like-Minded Developing Countries (LMDC)** had requested for an additional agenda item on the GD under the Subsidiary Body for Implementation (SBI)’s provisional agenda. The proposal received support from the **G77 and China**. At the opening of the climate talks on 6 June, SBI Chair **Marianne Karlsen (Norway)** informed delegates that the proposed additional agenda item would be kept in ‘abeyance’ pending informal consultations which she would undertake, with the outcome to be reported back to the plenary session in Bonn.

During the Bonn session, Karlsen convened informal consultations with heads of delegation (HODs) and had bilateral meetings with groups of Parties, and reported at the SBI’s closing plenary held on 16 June that the consultations had not led to any consensus on the matter.

TWN spoke to several delegates to find out what transpired in the informal consultations.

(At the Conference of Parties to the Paris Agreement (CMA) in Glasgow last year, Parties agreed to establish the GD to discuss the arrangements for the funding of activities to avert, minimise and address loss and damage associated with the adverse impacts of climate change, to take place in the first sessional period of each year of the SBI, concluding at its 60th session (in June 2024) and requested the SBI to organise the GD in cooperation with the Executive Committee [ExCom] of the Warsaw International Mechanism (WIM) on Loss and Damage. Decision 1/CMA.3 paragraphs 73 and 74 reflected this agreement, which was also endorsed by the COP under paragraph 43 of decision 1/CP.26.)

Sources said that the **G77 and China** conveyed to the SBI Chair that the group expected the GD to conclude towards a finance facility for loss and damage, called for a formal process under the SBI agenda to capture the outcomes of the GD, and reiterated its stance for an agenda item on the issue.

Venezuela spoke for the **LMDC** and explained that the GD should be undertaken in the context of continued work by the SBI on loss and damage finance-related issues to ensure that the outcomes of the GD are duly reflected in appropriate recommendations from the SBI for the consideration of the COP/CMA. The LMDC is also reported to have said that Parties should exercise political oversight with respect to the progress and process of the GD, including through the development of recommendations by the SBI for draft decisions relating to the progress and process of the GD for the consideration of the COP and CMA. The LMDC, it seems, also stated that they saw a strong rationale as well as mandate for the discussions on the GD to be converted into action, and reiterated the importance of capturing discussions in the GD via a formal outcome, which could include guidance for the next dialogue as well.

(In relation to the discussions on the GD, the LMDC was referring to the conduct of the first GD that was convened over three half-days on 7, 8 and 11 June, as a mandated event, with presentations and interventions. See TWN Update on the opening of the GD on 7 June – https://www.twn.my/title2/climate/news/Bonn23/No4_TWN%20BNU_08Jun2022.pdf.)

According to sources, **Zambia** for the **African Group** reiterated their understanding that through the GD, Parties would consider and establish a financial arrangement, and also stressed the need for an agenda item under the SBI to take this forward.

Antigua and Barbuda for the **Alliance of Small Island States** is reported to have reiterated the importance of a finance facility for loss and damage.

According to sources, **Chile** spoke for the **Independent Alliance of Latin America and the Caribbean (AILAC)** and emphasised the need for space to provide guidance by way of an agenda item to reflect on the next steps on the GD and not prejudge the outcome.

Fiji, it seems, recalled the COP 26/CMA 3 outcome on the matter and said that it was very disappointed that developed countries had not agreed on the need for a finance facility to be created, adding that the GD (the mandated event) had no reporting mechanism nor accountability nor deliverables, and that is the reason it needed to be under a formal agenda item.

The **United States (US)** reportedly said that the mandate for the GD came in late in Glasgow in response to very specific proposals that did not enjoy consensus (referring to the call by developing countries for a finance facility). According to sources, the US said that the GD was not an outcome any Party would have preferred, but it set a process, and its preference was to stick to the mandate and not change the process. In response to statements by some Parties that the GD would lead to a finance facility, the US said that this made it hard for them to engage in the discussion. The US wanted to build understanding on the opportunities and gaps instead, and not prejudge the outcome. The US said it supports a summary of the GD to be presented at Sharm el-Sheikh and that if there is support, action could be taken in the CMA and be reflected in CMA outcomes.

The **European Union (EU)** is reported to have said that the GD presented an opportunity and space to discuss the issue and understand it better and that this was done without the need for an additional agenda item, reiterating that there was no need for one. The EU called for a summary of the discussions instead, and said there could be space to reflect on the summary at the COP and CMA sessions.

Sources said that **Switzerland** for the **Environment Integrity Group (EIG)** said that through the GD, it was clear about the importance of Parties to develop understanding of the issue and benefit from the three-year process and it was open to a report being produced out of the GD and to have a landing point after that.

Australia, it appears, did not want to risk rushing into a ‘simple solution’ to support the most

vulnerable communities since the GD afforded Parties the time to ensure they come up with the right mechanism. **Canada** echoed Australia that Parties need to make sure they do not jump into a simple solution.

Following the HODs consultations, the SBI Chair convened further bilateral consultations with Parties and came up with a proposal.

According to sources, Karlsen’s proposal was that since there was no consensus among Parties for a specific agenda item on the GD, the SBI Chair could instead provide a report under the CMA/COP agenda item on the WIM, since the GD sits under the WIM. This, according to her, would create the space for consideration by the COP and CMA and which would formally anchor the discussions held in June in Bonn. She also suggested convening an SBI special event at COP 27 for reflections on the GD. This approach, she said, would translate from what was being done under the GD in June to be reflected on at COP 27.

Following further consultations, the SBI Chair came up with another proposal. Sources said her revised proposal was as follows:

- the GD would be organised at the first session of each SBI until 2024;
- the second session of each year, i.e. at SBI 57, SBI 59 and SBI 61, would address outcomes of the GD of the session before and give inputs to the next GD. This would be reflected in the conclusions of the SBI or as deemed by Parties on how to reflect these from the SBI;
- the agenda item would be called the ‘GD to discuss the arrangements for the funding of activities to avert, minimize and address loss and damage associated with the adverse impacts of climate change’;
- the SBI would annually report to the COP and CMA; and
- at SBI 61, after the completion of the last GD held in SBI 60, the SBI may forward conclusions to the CMA 6 session for further consideration and endorsement by the COP.

According to sources, the proposal was premised on the following two conditions:

- One was that all discussions on the GD would be under the SBI. Sources said the SBI Chair conveyed to Parties that it is a concern of some (developed countries) that there would be calls for other agenda items by developing

countries that would be of a similar nature to the GD. The SBI Chair said that while it is the prerogative of Parties to propose agenda items, it must be the unrecorded agreement and understanding among Parties to move the GD in a positive direction only in the SBI;

- Two, the outcomes of the GD would not be prejudged by any Party.

In the meantime, as consultations on the GD were happening, **Pakistan for the G77 and China** sent a letter to the UNFCCC's Executive Secretary, Patricia Espinosa, with a proposal for an additional sub-item under 'Matters related to finance' of the provisional agendas of both the COP and CMA.

The G77 letter was made available to TWN, and the specific proposal was for the inclusion of the following: 'Sub-Item under Item X: "Matters relating to finance": (with the sub-item) "Matters relating to funding arrangements for addressing loss and damage".'

The letter further states as follows:

'The Group proposes that this agenda sub-item as a standing one in order to provide a decision-making space on this crucial issue. The space will allow us to discuss and conclude on solutions to address the longstanding gaps in the existing funding arrangements for addressing loss and damage.'

Based on informal discussions at this SB meeting with all represented Parties of our Group, we propose that under this sub-item, the governing bodies would take decisions on:

- *clarifying the status of funding arrangements to finance averting, minimizing and addressing of loss and damage at COP 27,*
- *the further elaboration of the design and operational modalities of the facility at COP27, and*
- *other matters relating to the operationalization of the facility.*

Given the decision-making nature of the proposed sub-item, it is substantively and procedurally distinct from the Glasgow Dialogue. The discussions and conclusions under this sub-item are not contemplated under the Glasgow Dialogue. As such, both can proceed concurrently

without redundancy. The Group is of the firm view that the Dialogue is a standalone one with no clear destination. This agenda sub-item seeks to address this shortfall.'

Following the letter, the SBI Chair convened a HODs consultation on the GD and announced to Parties about the letter by the G77 and China and sought Parties' reflections on the way ahead.

Sources revealed that she said that it was her understanding that the SBI should be the unique place for discussions on the GD and her proposal was made on that understanding. She is also reported to have said that since there is a very similar item being proposed under the COP and CMA, it 'changed the context' under which she had made the proposal on the GD.

According to sources, developed countries too seemed to suggest that the context had now changed with the letter by the G77 and China.

Sources also said that the **G77 and China** explained that the two were different issues (i.e. the issue under the SBI and their call for a COP/CMA agenda), and that these must not be conflated.

Pakistan for the G77 and China said they did not agree with the linkage being created to the letter. The COP-CMA agenda item was proposed as per Rule 10(d) of the draft rules and procedures and was intended for the COP Presidency and the Secretariat and the G77 and China felt that the SBI had no authority to discuss or refer to the letter.

Sources said that Pakistan also conveyed that the sharing of the letter with the SBI Chair created an atmosphere of confusion and diminished prospects of reaching a compromise, building on the proposals made by the SBI Chair. The G77 it seems also expressed its willingness to engage on the SBI Chair's proposed SBI item on the GD in a constructive manner.

Sources also said that the **US** was clear that it would be difficult to agree on an agenda item on the GD (under the SBI), since this would overlap with the substance of the proposal by the G77 and China (under the COP/CMA).

Further consultations did not lead to any resolution, and according to sources, the SBI Chair said that she would report to the closing plenary that despite considerable efforts by Parties, consensus could not be achieved on the matter (which the Chair did convey in the final closing plenary of the SBI).

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Bonn talks fail to make operational Network on loss and damage

Kathmandu, 27 June (Prerna Bomzan and Hilary Kung) – Negotiations on the institutional arrangements for the Santiago Network on Loss and Damage (SNLD) at the recently concluded 56th session meetings of the UNFCCC's Subsidiary Bodies (SB 56) from 6 to 16 June in Bonn, Germany, resulted in only procedural conclusions, and failed to significantly advance the institutionalisation of the Network to make it operational as soon as possible in catalysing the delivery of loss and damage-related technical assistance and other support to developing countries on the ground.

Coming from the major step forward achieved in Glasgow last year at COP 26 in reaching agreement on the functions of the SNLD, Parties were expected at SB 56 to focus their attention on the structure, operational modalities, funding arrangements, and other elements regarding its institutional arrangements to make it operational.

As can be seen in the various submissions put forward by developing countries before SB 56, developing countries generally favoured a more deliberate and robust approach towards the elaboration of these institutional elements that would ensure policy accountability to and oversight by the Parties and make sure that the SNLD's activities are need-based and demand-driven. Such an approach (as viewed from the submissions) involved, *inter alia*:

- the establishment of a new advisory board in which Parties as well as relevant stakeholders are represented;
- the establishment of a secretariat to be selected subject to agreed criteria; and
- a clear identification of the roles and responsibilities of these bodies that would reflect and carry out the SNLD's functions agreed at Glasgow.

Developed countries generally favoured using existing bodies such as the Executive Committee (ExCom) of the Warsaw International Mechanism (WIM) on Loss and Damage to exercise oversight over the SNLD and its secretariat, and wanted the discussion to focus on the criteria and selection of the secretariat for the SNLD.

Negotiations on the SNLD in Bonn were mainly conducted in 'informal-informal' ('inf-inf') mode (where only Parties are present without the appointed co-facilitator or the secretariat), which spanned 21 hours from the first informal consultations held on 7 June, as was reported by the co-facilitator at the closing informal session on 15 June.

Over the course of the two weeks of SB 56, the negotiations floundered as Parties were not able to find consensus on any of the elements for the institutional arrangements of the SNLD.

In the first week, a draft negotiating text was released as the co-facilitator's elements paper on 9 June, which was drawn from the interventions of Parties at the first informal consultations, but was not acceptable, especially to developing countries, as the key issue of the 'advisory board' in the structure of the SNLD was missing in the text.

The **G77 and China** and its sub-groups including the **Alliance of Small Island States (AOSIS)**, the **Least Developed Countries (LDCs)**, the **African Group**, the **Arab Group**, **Argentina, Brazil and Uruguay (ABU)**, and the **Independent Alliance of Latin America and the Caribbean (AILAC)** underscored the need to have an advisory board; however, the **European Union (EU)** and **Norway** were not in favour of having one.

By the start of the second week of SB 56, the **Group of 77 and China** and its sub-groups had put forward concrete proposals for the structure and operational modalities of the SNLD, together with

proposals on the roles and responsibilities of proposed new bodies. These proposals were heavily debated during the inf-infs.

The divide between developing and developed countries could be clearly seen in the development of the informal negotiating text discussed by the Parties during the inf-infs. The proposal from the **G77 and China** and its members to have an ‘advisory board’ (paragraph 2.bis) was a key sticking point in the 15 June iteration of the text (the accompanying ‘document’ of draft conclusions) which read as follows:

‘[[Draft decision elements]][Informal note] Parties agreed to discuss, inter alia, without prejudice to the outcomes of the discussion in Sharm-El-Sheik the following aspects of the SN:

1. Operational modalities;
2. Structure/ (role) (including but not limited to a potential convening / coordinating body/ secretariat of the Santiago Network, host, advisory body/ body with an advisory role, (Ex-Com), (OBNEs/ network members)); (details could be attached as Annex)
2. bis [Advisory board]
3. The role(s) of the Executive Committee and its expert groups, task force and technical expert group (including related to the structure);
4. The role of loss and damage contact points and other relevant stakeholders at the subnational, national and regional level;
5. Possible elements for the terms of reference of a potential convening or coordinating body that may provide secretarial services to facilitate work under the Santiago network;
6. Modalities for the management of funds provided for technical assistance under the Santiago network and the terms for their disbursement
6. (alt) [Funding [arrangements] for the operation of the Santiago Network and modalities for the management and disbursement of funds provided for technical assistance under the Santiago Network]
7. Selection processes]’

The delegates from **Canada** and **Pakistan** (representing the **G77 and China**) led the consultations in the inf-infs and reported the progress of work during the five informal sessions conducted. Parties agreed to advance the work from these inf-infs setting with the negotiating texts evolving out of those discussions, capturing both

convergences as well as contentious issues in the form of a ‘compilation text’.

On 10 June, **Canada** and **Pakistan** reported that Parties had agreed in their ‘inf-infs’ on the need for an ‘advisory body’ and a ‘secretariat’ for the SNLD and that they had started to write down the ‘roles and responsibilities’. They, along with the **African Group** (represented by **Guinea**) and the **AOSIS** (represented by **Jamaica**) requested for a ‘compilation’ of the views, following which the co-facilitator informed that a ‘compilation text’ would be sent to Parties.

The second restricted (not for circulation) iteration of the draft negotiating text that evolved on 13 June was a clean document (with nothing in brackets), carrying the draft conclusions and a draft decision text with three detailed annexes: Annex X (Roles and responsibilities and constitution of the advisory board of the Santiago Network); Annex Y (Elements for the term of reference of the coordinating or convening body of the Santiago Network); and Annex Z (Criteria to be used to evaluate and select the host of the Santiago Network and information required to be included in the proposals).

On 14 June, at the informal consultations, **Canada** and **Pakistan** reported that Parties had made a ‘lot of progress’ and found ‘convergence’ on the roles and responsibilities of the advisory body and the secretariat, requesting for more time in ‘inf-inf’ setting to bring something more concrete to the next informal session. Apparently, according to sources, there was willingness among all Parties to discuss the agreement reached within the G77 and China on the roles and responsibilities of the structures, but there was no agreement among Parties to conclude the discussions.

Another key issue during the SB 56 negotiations in relation to the institutional arrangements of the SNLD was over the modalities for funding the SNLD, pursuant to the mandate under para 68 of decision 1/CMA.3.

(Parties agreed in Glasgow ‘that the modalities for the management of funds provided for technical assistance under the Santiago Network and the terms for their disbursement shall be determined by the process set out in paragraph 10 of decision -/CMA.3’. A key part of the Glasgow decision was paragraph 70 of decision 1/CMA.3, under which developed countries are urged ‘to provide funds for the operation of the Santiago network and for the provision of technical assistance ...’.)

To reflect this, the language on provision of funds and paragraph 70 for the operation of the SNLD had consistently appeared in the preceding restricted iteration of the text on 13 June, as well as in the first negotiating texts available as the co-facilitator's elements paper on 9 June.

However, the reference to 'paragraph 70' eventually got dropped from the finalised draft conclusions text of 15 June. Sources said that this was due to opposition from developed countries. The language on funding got struck off during protracted negotiations around the status and naming of the accompanying 'document' for the agreed conclusions.

This document was supposed to capture substantive work in progress (including of funding arrangements) but did not constitute agreed text. It finally got adopted as the document (with text in brackets) annexed to the final text of the draft conclusions and referred to in paragraph 5 of the adopted conclusions.

This document along with the draft conclusions text was circulated as the 'latest iteration' on 15 June. Although both developing and developed countries expressed willingness to retain the document as work advanced so as not to start from scratch at the next SB 57 session, its status was in question with some of the text in brackets including its title/headline, which was expressed as '[draft decision elements][informal note]'.

The **G77 and China** (represented by **Pakistan**) supported by the **African Group**, the **Arab Group**, **AOSIS** and the **LDCs** wanted to annex the document in its original text. **Canada**

also agreed to annex the document while **Norway** and **Switzerland** agreed to annex it but wanted to keep the text in brackets. The **United States** and the **EU**, however, wanted to drop the 'draft decision elements' from the text.

After long drawn-out discussions, with the co-facilitator **Kishan Kumarsingh (Trinidad and Tobago)** on the verge of walking out with no conclusions at one point, **Guinea** (who represented the **African Group**) intervened to take forward the document in its original text and was supported by **Kuwait** (representing the **Arab Group**), who also suggested keeping the text in brackets. In closing, **Guinea** clarified that there was agreement to move forward with the text bracketed and annexed in order not to prejudge future discussions. It also requested the co-facilitator to forward the text as the document referred to in paragraph 5 of the draft conclusions text of the SB 56 session.

Paragraph 5 of the agreed conclusions adopted at the closing plenary reads: '*The SBSTA and the SBI initiated their consideration of institutional arrangements of the Santiago Network [footnote 4, reference to decisions] and agreed to continue consideration of the matter at SB 57 (November 2022) taking into account the document prepared at this session [footnote 5, link to document].*'

The SNLD is a joint-agenda item of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the disagreements that surfaced in Bonn are expected to be resolved in SB 57, in Sharm el-Sheikh, Egypt in November this year.

Rich exchange of views on the Global Goal on Adaptation

Penang, 27 June (Evelyn Teh) – A rich exchange of views and expectations of Parties took place at the three-day mandated event on the ‘Glasgow-Sharm el-Sheikh work programme on the Global Goal on Adaptation’ (GLASS-GGA) at the 56th session meetings of the UNFCCC’s Subsidiary Bodies (SB 56) in Bonn, Germany.

Developing countries emphasised the global and collective nature of adaptation actions, the need for means of implementation and that the global goal on adaptation (GGA) should consider the different national circumstances, leading towards a transformative adaptation pathway.

The GLASS-GGA event comprised an event by the Intergovernmental Panel on Climate Change (IPCC) held on 7 June, and two workshops held on 8 and 9 June.

Apart from the mandated events, Parties also met in a contact group to have informal consultations on how to capture and proceed with the GLASS-GGA, since a specific agenda item on the matter was added by consensus by Parties on the work to be done by the SBs at the start of the Bonn talks on 6 June. The **Like-Minded Developing Countries (LMDC)** had called for the GLASS-GGA to be added as an agenda item of the SBs, which was supported by the **G77 and China**. Informal consultations were also held with the heads of delegation (HODs) on 16 June, the final day of the Bonn session, to finalise the conclusions which were eventually adopted at the closing plenaries of the SBs. (See further details below.)

IPCC Event

The IPCC event saw presentations from the authors of Working Group II (on ‘Impacts, Adaptation, and Vulnerability’). The findings of the presentations were expected to have relevance in the review of the overall progress made in

achieving the GGA by clarifying methodologies and other related elements.

At the workshops

On 8-9 June, two GLASS-GGA workshops took place based on the theme: ‘Enhancing understanding of the global goal on adaptation, and relevance to the global stock take (GST)’, in line with objectives (b) and (c) of the work programme.

(Among the objectives of the work programme are: ‘(b) *Enhance understanding of the global goal on adaptation, including of the methodologies, indicators, data and metrics, needs and support needed for assessing progress towards it; and (c) Contribute to reviewing the overall progress made in achieving the global goal on adaptation as part of the GST...*’)

The workshop kicked off with the UNFCCC’s Executive Secretary Patricia Espinosa’s opening remarks, who emphasised the necessity of adaptation efforts and in making progress on the global goal, especially for developing and vulnerable nations. She cited UN data which estimated that the annual adaptation costs in developing countries are in the range of US\$70 billion and will reach US\$300 billion by 2030. She said that while nations must boost their mitigation efforts, adaptation has been a forgotten piece of the equation, also noting that adaptation planning and implementation can be challenging.

This was followed by an oral presentation by the secretariat, based on the 21 submissions from Parties and groupings, including on relevant previous work under the Convention and the Paris Agreement (PA). According to the secretariat, there is a desire among Parties to understand the required supporting efforts such as finance, technology and capacity-building that are needed under the different mitigation outcomes, to ensure that Parties

reach the right level of adaptation. It added that Parties would also like to see that the work programme contributes substantially to enhancing adaptation action and support, which so far have not been sufficient. The secretariat also said that many Parties have cautioned against developing top-down, prescriptive approaches as adaptation efforts are locally specific, due to countries' national circumstances.

It said that Parties have also called for a move towards collective adaptation work, away from the current incremental efforts towards transformational adaptation, to address the mounting adaptation challenges. Many submissions had also pointed out that these adaptation efforts must be made based on the principles of equity, common but differentiated responsibilities and respective capabilities (CBDR-RC), and that the GGA must be global in nature, defined both quantitatively and qualitatively, and designed in a way that allows each country's aspirations to be reflected, while guided by clearly defined global goals and common priorities.

Botswana on behalf of the **G77 and China** stated its support for the launch of the GLASS-GGA that would contribute substantially to the adaptation support and engage in operationalising the work programme with a focus on substance. It emphasised the need to reflect on overarching principles to guide implementation, make clear linkages to the GST, track progress made in line with Article 2 of the PA with an aim to recognise the adaptation efforts in developing countries, enhance and review the support and progress made on the GGA, and identify further action. It stressed further that adaptation and mitigation are global responsibilities which is important for both the GGA and GST; and the group expects to have a substantive outcome in CMA 4 (the fourth session of the Conference of Parties to the PA to be held in Egypt in November this year) for determining the GGA. It said that the session should provide further guidance on the work programme, based on the progress achieved in 2022.

Zambia, for the **African Group (AG)**, stated that the PA has struck a very delicate balance in articulating three goals viz. the adaptation goal, the mitigation goal as articulated in the 1.5°C temperature goal, and the means of implementation goal. However, progress has been uneven so far in terms of both the political process and multilateral process under the UNFCCC as well as in practice, and adaptation has often been treated as an afterthought. Through the work on the GGA, it said

that we are bringing back and raising the political profile of adaptation and articulating the need to address it globally. The AG said that it frames the GGA as a global responsibility and as a global framework for a comprehensive adaptation regime under the PA. In order to raise global ambition, action and support on finance, technology, and capacity-building are necessary to close the adaptation needs and finance gaps identified in both the UN Environment Programme (UNEP)'s Adaptation Gap Report in 2021 and the IPCC Working Group II report.

It also raised the need to respond not only to the current adaptation needs under the observed impacts at 1.1°C and 1.2°C, which put us at the moderate risk level, but also to the projected risks under the 1.5°C scenario, which is considered to be ambitious, with the consideration that we are near the 3.0°C trajectory. The GGA should therefore reflect where we are, where we want to be and how we get there. It added that through this work programme, it wanted the GGA to be defined, articulate its elements, achieve the GGA, as well as view and assess progress towards it through the GST process. As a proposal to assess the progress of the GGA, the AG stated that one way forward would be to identify and agree on a set of global adaptation targets, with appropriate timelines that are aligned to the nationally determined contributions (NDCs), Adaptation Communications, National Adaptation Plans (NAPs), and aligned with the GST cycles, including identifying nationally appropriate indicators for voluntary use by Parties that could follow both a bottom-up and top-down approach.

Noting from the IPCC presentations, it said that there is a gap in science-informed methodologies and guidelines in order to communicate and report consistent and comparable adaptation information, which requires further engagement with the IPCC to update on these methodologies.

Saudi Arabia, on behalf of the **Like-Minded Developing Countries (LMDC)**, raised a question on whether the views expressed in the workshops would be captured, adding that there was not enough time for an adequate exchange of views with interested Parties during the IPCC event. The LMDC also said that the process should develop overarching principles towards achieving the GGA and identify common substances associated with the GGA, such as the concept, methodology and metrics. The LMDC stated that the work under the event should complement the work done under the

dedicated agenda item related to the GLASS-GGA (in reference to work under the contact group on the item).

The Maldives, for the **Alliance of Small Island States (AOSIS)**, highlighted the importance of establishing a monitoring, evaluation and learning (MEL) framework and the role that this plays in advancing national perspectives of adaptation capacity, vulnerability and resilience. It believed that frameworks and goal-setting should be effective at a national level without overburdening countries, as top-down approaches have not worked in the past and rarely take into account the nature and scale of adaptation needs of small island developing states.

Angola, speaking for the **Least Developed Countries (LDCs)**, stated that definitions around vulnerability, adaptive capacity and resilience are very vague, and they did not want to go into defining those, but the goals would need to track the progress of countries. Climate finance may not be the only element to assess progress on, but it would need to be factored into the goal. It also said that the Sustainable Development Goals (SDGs) which have been climate-proofed are also something that can be explored.

Colombia, on behalf of the **Independent Alliance of Latin America and the Caribbean (AILAC)**, stated that understanding the GGA is not so much about agreeing on a common definition of the concepts such as adaptive capacity, resilience and vulnerability, as these concepts may have different meanings based on context and culture. Understanding the GGA has a great part to do with understanding the global character of the GGA and its multidimensionality and understanding the linkage between the GGA and the long-term temperature goal of the PA.

Despite the global character of the GGA and of adaptation itself, adaptation action is context-specific and should follow a country-driven approach. Hence, for the review of the progress towards achieving the GGA and informing the first GST, AILAC is for choosing not a single approach but a combination of approaches that complement each other. To determine the most suitable approach, it is necessary to identify the desired objectives for a global adaptation assessment.

Kuwait, on behalf of **Arab Group**, called for a synthesis note prepared by the SB or the secretariat prior to engaging successfully in the next workshop and at COP 27. It wanted the momentum on adaptation issues to continue towards the needs, action, and support for the developing countries,

not only for the sake of defining the GGA or the GST.

Papua New Guinea for the **Pacific Small Island Developing States (PSIDS)** said that we need to define high aspirational goals, reflect on the need to move from a predominantly incremental approach to address adaptation in a systematic and transformational way, as well as reflect on the various limits of adaptation. The PSIDS also stated the need to conceptually link adaptation to global temperature as every 0.1°C increase makes it even harder to reach whatever the GGA has been agreed on and pushes us towards adaptation limits. It also mentioned that a scorecard or dashboard approach would be a useful tool for providing comparable insights on adaptation measures.

Argentina, on behalf of **Argentina, Brazil and Uruguay (ABU)**, stated that there is still a gap between the identification of needs and the implementation of actions at the current level of warming. As recognised by the IPCC, adaptation finance, or the lack of it, is the biggest barrier to implementing adaptation actions in their region. It said that Parties should not be in a position to spend the limited time available by having conceptual discussions because the three main components of the GGA have already been negotiated in the PA and defined by the IPCC. For ABU, the Adaptation Committee's technical paper is the scope of Parties' discussion on the work programme i.e. first, on the methodological challenges and how to solve them by using national, regional, transboundary and local experiences as starting points.

It also stated that the qualitative and quantitative approach could be achieved by including the financial dimension of the goal. There is a need for clarity in terms of the relationship between the work programme and the negotiations on the new financial goal, and the specifics of these discussions must be organised. ABU also mentioned that the relationship of the GGA with the Enhanced Transparency Framework (ETF) is critical since the individual, national and collective dimensions of the PA are enlightened by the same long-term goals. While it is also possible to create collective indicators, we need to assess to what extent these indicators allow Parties to apprehend the different realities and contexts of adaptation, it said further.

India said that most of the soft limits of adaptation have been crossed, and hard limits are being rapidly broken. The GGA should have eight guiding principles, it said, viz. (1) The GGA is global in nature with overarching principles and

common understanding, and terminologies like a common goal will not be acceptable; (2) Achieving adaptation goals should commensurate with the rising temperature, or ideally, ahead of the climate impacts of climate change that follow the trends of rising temperature; (3) National narratives on adaptation should feed organically into the GGA from various sources; (4) Take into account different and unique national and regional circumstances and also community level of realities, urgent needs and priorities; (5) Capture local climate risks and local vulnerabilities and possible adaptation options and limits of adaptation, and climate-resilient livelihoods and infrastructure; (6) Evolve with consultations with various stakeholders; (7) Enhance the means of implementation including finance, capacity-building and technology transfer, for adaptation action and support; and (8) Simple methods and metrics to capture baselines and progress made, which does not add burden to developing countries due to cumbersome procedures.

China said that it is important to have a common understanding on the definition of the GGA which should be inclusive, operational and based on scientific findings, with full consideration of some elements, including the adverse impacts of climate change, vulnerability and risks of climate change at the national, regional and global level to promote resilience. In terms of good practices for goal-setting, China said that it is a good starting point to assess some current information on adaptation, including action and support at different levels. It is also important to consider the adequacy of finance and support for the developing countries and to capture their gaps and needs.

China suggested a three-layered system, which includes, firstly, a sectoral approach which identifies existing standards and methods in key areas such as agriculture and water; secondly, through regional objectives where major climate change risks and physical and geographical attributes are integrated into adaptation objectives according to the five continents; and thirdly, policy actions at national level, based on regional objectives, adopting a bottom-up approach to summarise the progress and identify the support needed at both the national and regional levels.

Bangladesh stated that adaptation is a function of mitigation, where the more we mitigate, the less we need to adapt. From the creation of the Convention 30 years ago until today, Bangladesh said, we had raised the cost of adaptation because of non-adaptation over the years. Saying that

adaptation is like a moving target, it asked how we are to conceptualise the GGA when adaptation has its soft and hard limits. Bangladesh quoted the IPCC Working Group II report which indicated that 3.6 billion people are now at risk, including the ecosystems, which are all causing a myriad of issues – all of which must be captured when conceptualising the GGA, including linking the 1.5°C temperature goal for mitigation to adaptation. On top of that, conceptualising the GGA should be human-centric, it said further.

South Africa stated that the conversation should be premised on the original concept that has led to the adoption of the established goal in Article 7.1 of the PA, which is to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change, and confirms the need for a collective, international responsibility towards its implementation and assessment of progress during the GST. The workshop should not attempt to renegotiate the already agreed goal but take Parties forward towards its full implementation, it stressed, adding that national priorities and the needs communicated by developing countries could play a significant role in setting a composite of global priorities under the GGA implementation and outlining the much-needed and broader indicators or metrics that would address the elements of adaptation planning, implementation and resources needed.

Costa Rica stated that there is a need to recognise the value of a diverse forum of knowledge such as the scientific, indigenous, and local knowledge in understanding and evaluating climate adaptation processes and actions. This includes recognising that people can be differently affected even in the same location, and therefore, any effort to set targets and goals of adaptation needs to account for cultural and geographical contingent concepts of what it means to adapt.

The **United States (US)** hoped for this work programme to have a good collection of national and local examples of effective adaptation planning and implementation, as well as to have a central source for practitioners to find the tools and information needed to act on those plans. The US also stated that Parties have the capacity and resources to monitor and evaluate progress on those actions and increase reporting of progress on adaptation to the UNFCCC through the Adaptation Communications and other sources. It also wanted to have a clear picture of the GST on what works and what does not when it comes to adaptation. With regard to the question on conceptualising the

GGA, the US said that there is already a conceptual framework as outlined in the PA, which is a good starting point to build on.

The US also stated that Parties might want to consider in future discussions the framing of systems transition with sectors and linkages to mitigation and development addressed holistically. It referred to the IPCC's highlight on the importance of political will and enabling conditions that must be present to achieve the GGA, and to examine specific approaches that countries have taken to mainstream adaptation across different responsibilities and levels and how that might inform our work. It also said that the Adaptation Committee's technical paper provides an overview of good practices and different systems for goal-setting and encouraged Parties to review that paper.

The **European Union (EU)** reflected on the IPCC presentations, stating that the key takeaways were that mitigation and adaptation interact; and that we need ambitious mitigation and reducing emissions to net zero globally by mid-century to keep 1.5°C alive and adaptation feasible. The EU also stated that it is best not to consider the GGA as a global goal but as a common goal, as mentioned by one of the IPCC authors, similar to the SDGs. The EU highlighted the important relation between the GGA and the SDGs that should be explored further; and that assessing progress on adaptation poses challenges and should pursue different approaches such as triangulation which assess not only inputs and outputs but also processes and outcomes, particularly for the poorest and most vulnerable people and countries.

The EU also said that the GGA is a common, collective goal that is characterised by its open-ended nature, which builds on the adaptation policy cycles within countries, including vulnerability assessment, planning, implementation and monitoring and evaluation. The EU further said that as a first step, a good way forward could be a discussion on priority areas from the assessment of collective progress towards achieving the GGA.

Norway requested for a more detailed presentation on the Adaptation Committee's recent technical paper on the assessment of approaches to review the progress and achievement of the global goal as a key input to this work programme. With regard to good practices and goal-setting, it suggested looking at the SDGs, the Sendai Framework, and the Convention on Biological Diversity, which are helpful to get these goals presented during some of the GGA workshops and identify how progress is measured in these frameworks.

Australia stated that its focus is on the quality and effectiveness that can be helpful in developing a clear picture of what adaptation progress looks like. It emphasised the need to explore more the link between the SDGs and the GGA. It also highlighted that the IPCC report goes beyond simply listing impacts but also usefully includes information on the enabling conditions for effective adaptation action, which should be leveraged.

Japan said that it would be difficult to set only one uniform threshold, target, or goal for the absolute level of adaptation. Technical work by the Adaptation Committee and other bodies in the UNFCCC has identified the elements of adaptation policies necessary for each country, and Japan proposed that this GLASS-GGA workshop discuss progress in these common and necessary elements across countries and regions. The GGA assessment is supposed to be based on the specific information submitted by the Parties via their Adaptation Communication or other means. Therefore, when the adaptation progress is assessed at the global level, this information will be used, such as the level of participation, regional cooperation, progress in national adaptation processes, and the status of monitoring systems of adaptation actions at the local scale. This information should be summarised on a country-by-country basis, said Japan further.

The GGA contact group and meeting of Heads of Delegation

Following the GGA workshops, on 9 June, the contact group on the GLASS-GGA was convened to gather the views of Parties on capturing the progress of work and on the way forward on the matter. Parties worked on the draft conclusions, going back and forth in intense negotiations.

On 16 June, the Chairs of the SBs convened a Heads of Delegation (HODs) meeting to finalise the draft conclusions. Following the informal consultations, the final conclusions which were agreed to at the HODs meeting and which were later adopted at the closing plenary session of the SBs are as follows:

1. *'The Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) recalled decision 7/CMA.3, including the objectives outlined in paragraph 7, and welcomed the first workshop under the Glasgow-Sharm el-Sheikh work programme on the GGA, on the theme of enhancing understanding of the goal and reviewing*

- progress towards it, and the IPCC event informing the work programme¹ on the contribution of Working Group II to its Sixth Assessment Report, held at these sessions.
2. The SBSTA and the SBI noted the compilation and synthesis of submissions from Parties on how to achieve the objectives of the Glasgow-Sharm el-Sheikh work programme.
 3. The SBSTA and the SBI took note of the sequence and themes of the workshops under the work programme outlined in the compilation and synthesis of submissions on the Glasgow-Sharm el-Sheikh work programme, and that the themes and areas of work could require further elaboration as the process progresses.
 4. The SBSTA and the SBI invited Parties and observers to submit via the submission portal views on the subsequent workshops, including on general considerations, the topics for discussion under the themes identified in the compilation and synthesis of submissions, areas of work, expected outcomes, examples, case studies and modalities, for each workshop to be conducted in 2022, at least three weeks in advance of the workshop.
 5. The SBSTA and the SBI requested their Chairs, with the support of the secretariat, to make available a concept note and guiding questions relating to the theme and areas of work of each workshop, well in advance of the workshop, on the basis of the submissions referred to in paragraph 4 above received.
 6. The SBSTA and the SBI also requested that subsequent workshops under the Glasgow-Sharm el-Sheikh work programme be more interactive, and invited contributions at the subsequent workshops from practitioners and experts from relevant organizations, UNFCCC constituted bodies and the IPCC, ensuring equitable geographical representation, as appropriate.
 7. The SBSTA and the SBI further requested the secretariat, under the guidance of their Chairs, to compile and synthesize, by August 2022, indicators, approaches, targets and metrics that could be relevant for reviewing overall progress made in achieving the global goal on adaptation, building on the 2021 technical report by the Adaptation Committee, while also taking into account relevant reports, communications and plans under the Convention and the Paris Agreement, the United Nations Environment Programme, the IPCC, the 2030 Agenda for Sustainable Development and the Sendai Framework for Disaster Risk Reduction 2015-2030, relevant multilateral frameworks and mechanisms, United Nations organizations and specialized agencies, and the discussions at the first workshop under the Glasgow-Sharm el-Sheikh work programme.
 8. The SBSTA and the SBI welcomed the guidance of their Chairs on organizing the third workshop under the Glasgow-Sharm el-Sheikh work programme in hybrid format, taking into account the challenges of the virtual modality in relation to inclusive participation and seeking to ensure equitable geographical representation of Parties.
 9. The SBSTA and the SBI requested the secretariat, under the guidance of their Chairs, to prepare a summary of each workshop, in the context of preparing a single annual report for consideration at the sessions of the SBs coinciding with the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (November 2022) as provided in paragraph 16 of decision 7/CMA.3, capturing progress made and informing subsequent consideration by Parties under the Glasgow-Sharm el-Sheikh work programme.
 10. The SBSTA and the SBI recalled that the Glasgow-Sharm el-Sheikh work programme should contribute to reviewing the overall progress made in achieving the global goal on adaptation as part of the global stocktake referred to in Article 7, paragraph 14, and Article 14 of the Paris Agreement with a view to informing the first and subsequent global stocktakes.
 11. The SBSTA and the SBI agreed to take into consideration, when organizing subsequent workshops in 2022-2023, that work under the Glasgow-Sharm el-Sheikh work programme should inform the review of overall progress made towards achieving the global goal on adaptation referred to in Article 7, paragraph 14, of the Paris Agreement, as referred to in paragraph 10 above.'
- Prior to agreement on the above, contention arose over paragraphs 8 and 9, which were initially presented as follows:
- '8. The SBSTA and the SBI welcomed the guidance of their Chairs to organize one of the workshops...in a hybrid format, taking

into account challenges of the virtual modality to inclusive participation and seeking to ensure equitable geographical representation of Parties.'

The **African Group** wanted to specify that instead of one of the workshops, the third workshop should be in a hybrid format. Sources said that developed countries were not comfortable with the idea of workshops in a hybrid format, but they agreed to the third workshop to be held in a hybrid format. This was reflected in paragraph 8 as agreed and reflected above.

'9. *The SBSTA and SBI requested the secretariat under the guidance of the Chairs to prepare a summary of each workshop, in the context*

of preparing a single annual report as contained in paragraph 16 of decision 7/CMA.3, capturing progress made and informing subsequent consideration by Parties under the work programme.'

The **G77 and China** wanted the following language inserted at the end of the paragraph: '*for consideration and adoption at CMA 4*'. Sources said the **United States (US)** objected to the approach. Following huddles and further consultations at the HODs meeting, the reference to CMA 4 was agreed to, reflected in paragraph 9 of the conclusions above.

Work on the GLASS-GGA will continue in November this year in Egypt.