

TWN Climate News Updates

Published by Third World
Network Berhad
(198701004592 (163262-P))
131 Jalan Macalister
10400 Penang, Malaysia
Website: www.twn.my

Bonn Climate News Updates

(June 2023)

TWN
Third World Network

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NOTE

This is a compilation of 14 News Updates prepared by the Third World Network for and during the United Nations Climate Change Conference – encompassing the 58th sessions of the Subsidiary Body for Implementation (SBI 58) and the Subsidiary Body for Scientific and Technological Advice (SBSTA 58) – held in Bonn, Germany from 5 to 15 June 2023.

What to expect at the intersessional climate talks

Bonn, 5 June (Meena Raman*) – The 58th sessions of the UNFCCC’s (The United Nations Framework Convention on Climate Change) subsidiary bodies (the Subsidiary Body for Implementation [SBI] and the Subsidiary Body for Scientific and Technological Advice [SBSTA]) are meeting in Bonn, Germany from 5 to 15 June, 2023.

The SB58 sessions will be presided over by the respective Chairs: **Nabeel Munir (Pakistan)** for the SBI and **Harry Vreuls (Netherlands)** for SBSTA.

The intersessional meeting of the subsidiary bodies (SBs) is key to advancing further work from the decisions adopted at the UNFCCC’s 27th meeting of the Conference of Parties (COP27) in Sharm el-Sheikh last year, as they prepare to adopt new decisions at COP28, to be held in Dubai, UAE later this year.

The Bonn talks are taking place against the backdrop of scorching heatwave across many parts of the world, including from Asia to Africa and Europe, in part, attributed to climate change and global heating.

According to the latest news from the **World Meteorological Organization** (WMO), “global temperatures are likely to surge to record levels in the next five years, fuelled by heat-trapping greenhouse gases and a naturally occurring El Niño event”. Said the WMO further, “there is a 66% likelihood that the annual average near-surface global temperature between 2023 and 2027 will be more than 1.5°C above pre-industrial levels for at least one year. There is a 98% likelihood that at least one of the next five years, and the five-year period as a whole, will be the warmest on record.”

“A warming El Niño is expected to develop in the coming months and this will combine with human-induced climate change to push global

temperatures into uncharted territory,” warned the WMO Secretary-General Prof. Petteri Taalas, adding further that “This will have far-reaching repercussions for health, food security, water management and the environment” and that governments need to be prepared for this.

Amid this grim alarm, the Bonn talks are also expected to be “heated” on many fronts, especially along North-South lines. Some of the main issues to watch at the SBs are set out below.

Matters relating to loss and damage

Loss and Damage Fund and the Glasgow Dialogue

COP27 delivered on what was the “litmus test” for its success – consensus on the establishment of new funding arrangements and a fund on loss and damage to assist developing countries. Parties agreed that the fund’s mandate include a focus on addressing loss and damage. They also agreed to establish a Transitional Committee (TC) to make recommendations on how to operationalise both the new funding arrangements and the fund for the consideration and adoption by COP28 later this year.

The TC has met twice already this year; the first meeting took place in Luxor, Egypt from 27-29 March, while the second meeting took place in Bonn, Germany from 25-27 May. Discussions during the first TC meeting were not smooth, with differences of views across developing and developed country members on what should be discussed first, viz. the funding arrangements or the establishment of the fund. Developing country members wanted to focus on the operationalisation of the new fund for loss and damage, whereas developed country members wanted to focus on

matters that would inform the funding arrangements and the fund, saying that more information was needed on the current landscape and institutions that are funding activities related to loss and damage. (See related [update](#)).

During the second meeting of the TC, members had substantive exchange covering institutional arrangements, modalities, structure, governance and terms of reference for the fund; defining the elements of the new funding arrangements; identifying and expanding sources of funding; and ensuring coordination and complementarity with existing funding arrangements. Developing countries continued to express their preference of the fund over funding arrangements, and stressed that existing funding arrangements were far from enough and that there is very little explicit funding for loss and damage needs. Developed countries on the other hand, while covering all the four areas, stressed how the humanitarian assistance can be further improved (see related [update](#)).

In Bonn, the 2nd Glasgow Dialogue (GD) on loss and damage will be held, focusing on the operationalisation of new funding arrangements and the fund, as well as on maximising support from existing funding arrangements relevant for responding to economic and non-economic losses, slow onset events and extreme weather events. This Dialogue will inform the work of the TC. The 1st GD took place last June.

Santiago Network on Loss and Damage (SNLD)

At CMA4 (the 4th Meeting of Parties to the Paris Agreement) last year, Parties agreed on the institutional arrangements to operationalize the SNLD in order to catalyse technical assistance to developing countries. The structure of the Santiago network and its terms of reference were agreed to. The decision was also that a selection process for the host of the network secretariat be launched in order to select the host by this year.

A call for proposals by the UNFCCC secretariat to host the Santiago network followed and the secretariat convened an evaluation panel for selecting the host on 5 April 2023 and supported the panel in preparing an evaluation report that includes a shortlist of proposals for the consideration of Parties. At SB58, a draft decision is hoped for, with one proposal to host the network, which will then be adopted at COP28.

According to the scenario note prepared by the Chairs of the SBs, a proposal from the

Caribbean Development Bank and a joint proposal from the UN Office for Disaster Risk Reduction and the UN Office for Project Services were received.

Just transition work programme

A new and significant outcome from COP27 was the decision to establish a work programme on just transition on the pathways to achieve the goals of the Paris Agreement. Parties also noted that the global transition to low emissions provides opportunities and challenges for sustainable economic development and poverty eradication and emphasised that just and equitable transition encompasses pathways that include energy, socioeconomic, workforce and other dimensions, all of which must be based on nationally defined development priorities and include social protection so as to mitigate potential impacts associated with the transition.

At the Bonn session, Parties are tasked to develop the work programme and as per the scenario note of the Chairs, discussions are expected to focus on pragmatic approaches and technical aspects, with the focus on preparing a draft decision text for consideration and adoption at CMA5, as mandated.

Sharm el-Sheikh mitigation ambition and implementation work programme

At COP27, Parties confirmed that the objective of the work programme “shall be to urgently scale up mitigation ambition and implementation in this critical decade in a manner that complements the global stocktake”.

Parties decided, “that the work programme shall be operationalized through focused exchanges of views, information and ideas, noting that the outcomes of the work programme will be non-prescriptive, non-punitive, facilitative, respectful of national sovereignty and national circumstances, take into account the nationally determined nature of NDCs (nationally determined contributions) and will not impose new targets or goals”. (This was a grave concern to many developing countries).

It was also decided that implementation of the work programme will start immediately after CMA4 and continue until its CMA8 (2026), “with a view to adopting a decision on the continuation of the work programme at that session”.

As part of the work programme, CMA4 decided that at least two global dialogues be held

each year and the first of this was held under the SBs from 3 to 4 June in Bonn, followed on 5 June by what is called an “investment focused event”.

At the opening of the global dialogue on 3 June, **Ambassador Mohamed Nasr of Egypt**, as the COP27 Presidency, remarked that as Parties deliberate issues under the mitigation work programme with a focus on energy this time, “We also need to be reminded that substantial percentage of mitigation component of developing countries’ nationally determined contributions (NDCs) are conditional, which reflects how much impact this work programme can deliver in terms of supporting implementation and enhancing ambition.”

He also highlighted some of the key findings of latest reports including that of the International Energy Agency (IEA) which reports that “Average growth rate in clean energy investments has reached 12% compared to 2% in 2015, but the investments were concentrated in China, the European Union (EU) and the United States (US), while the rest of developing economies has witnessed no or very limited increase in clean energy spending compared to 2015.”

He said further that the high cost of capital and rising borrowing costs threaten to undercut the economic attractiveness for investments in clean energy in developing countries, and that most of the positive trends in clean energy investments are leaving developing countries behind. Nasr also stressed that “while we are talking about energy transition, there are 600 million Africans who have no access to energy”. He added further that with these information and facts in mind, “the deliberations will provide the needed space to consider them and deliver real implementable recommendations”.

Separate from the mandated global dialogue above, **Sweden** on behalf of the **EU** has also proposed that the work programme be included in the provisional agendas of the SBs “in order to support the objectives of the mitigation work programme and robust annual decisions at the CMA, it’s necessary to include an agenda item at the SBs in June, in addition to the SB’s sessions at every COP”. Parties will be asked to consider this proposal by the EU when the agendas of the SBs are presented for adoption. If the proposal is accepted, a contact group or informal consultations on the matter will have to be established and for conclusions to be agreed to and presented to CMA4 for adoption.

Global goal on adaptation (GGA)

Parties had last year initiated the development of a framework for the GGA which is to be undertaken “... through a structured approach under the Glasgow Sharm el-Sheikh work programme in 2023, with a view to the framework being adopted at CMA5” later this year. The framework is “to guide the achievement of the GGA and the review of overall progress in achieving it with a view to reducing the increasing adverse impacts, risks and vulnerabilities associated with climate change, as well as enhance adaptation action and support”.

Developing countries had firmly called for the establishment of a framework on GGA as a substantive COP27 outcome, proposing detailed elements in the form of dimensions; themes; indicators/metrics/targets; among others. The means of implementation – finance, technology transfer and capacity building – being one of the integral components of the dimensions of the framework.

Negotiations on the GGA will continue at the current Bonn session. In addition, a workshop on mainstreaming adaptation, including target-setting, methodologies and indicators will take place from 4 to 5 June in conjunction with the SBs. This is the 6th workshop of 8 workshops being held under the GGA work programme since last year, with the hope and expectation that these workshops will result in an “ambitious outcome”, as per the Co-Chairs scenario note for the SBs.

Finance

Many of the finance issues will be negotiated under the COP and CMA to be held later this year. Among the main issues are the following:

2nd review of the Standing Committee on Finance (SCF)

Parties initiate the 2nd review of the SCF at this session. The SCF plays a very important role in assisting the COP and the CMA in exercising its functions in relation to the Financial Mechanism of the Convention and the Paris Agreement. This involves among the many roles viz.

- Providing to the COP/CMA draft guidance for the operating entities of the Financial Mechanism of the Convention and the Paris Agreement (such as the Global Environment Facility and the Green Climate Fund);

- Preparing a biennial assessment, overview of climate finance flows, drawing on available sources of information, including national communications and biennial reports of both developed and developing country Parties etc.

It is hoped that Parties will be able to arrive at conclusions at the SBI session with elements of a draft decision that will be adopted at COP28.

New Collective Quantified Goal on Finance

In conjunction with the SBs, the sixth technical expert dialogue (TED6) under the New Collective Quantified Goal on Climate Finance (NCQG) will be convened, and will focus on the themes “quantum” and “mobilization and provision of financial sources”.

The decision from CMA last year acknowledged “the need to significantly strengthen the *ad hoc* work programme on the NCQG in the light of the urgency of scaling up climate action with a view to achieving meaningful outcomes... and setting the NCQG in 2024 taking into account the needs and priorities of developing countries.”

The objective of TED6 is to “discuss and identify options for ways to determine the quantum of the NCQG... and options on the mobilization and provision of financial sources”.

Developing countries have stressed the need to have a discussion on the quantum of the NCQG for some time now. However, developed countries have traditionally refused to engage in discussions on the quantum of the goal, in attempts to push this to discussions next year. This was among the key contentious issues in Sharm el-Sheikh (see related [update](#)). TED6 will offer Parties an opportunity to go in-depth into the issue of quantum for the goal.

Workshop on Article 9.5

The second biennial in-session workshop on information to be provided by Parties in accordance with Article 9.5 of the Paris Agreement will also be convened at this current SB session. (Article 9.5 provides for developed countries to biennially communicate indicative quantitative and qualitative information on the projected levels of public financial resources to be provided to developing countries.)

The objective of the workshop scheduled to take place on 6 June is to “share views, experiences and lessons learned on information contained in the second biennial communications”; and to

“present and discuss the overall state of predictability and clarity of information on financial support to developing countries for the implementation of the Paris Agreement...”.

According to the **compilation and synthesis report** on the second biennial communications on Article 9.5 by the Secretariat, 34 Parties have submitted their communications. This includes Australia, Canada, Czech Republic and the EU, Japan, Monaco, New Zealand, Norway, Switzerland, the United Kingdom and the US.

Developing countries are expected to hold the developed countries to account in terms of the improvements requested in relation to their first biennial communications. Improvements which were sought included the following: “The indicative projections of climate finance for developing countries and specific plans for scaling up the provision and mobilization of climate finance; the information provided on projected levels of climate finance and lack of detail on themes, various channels and instruments across the biennial communications; and the information on the shares of projected climate finance for adaptation and mitigation, and on plans for addressing the balance between the two.”

Improvements were also sought “on enhancing the quality and granularity of information on programmes, including projected levels, channels and instruments, particularly on climate finance for the least developed countries and small island developing States, and on relevant methodologies and assumptions”.

However, the **communication** from the US reveals as follows: “Given that these channels are demand-based, coupled with the fact that US bilateral channels depend on annual appropriations from Congress, it is not possible for the US to forecast or project future climate finance levels or quantitative *ex-ante* information.” The communication by the US also does not make any commitments and only reiterates their “intentional” announcements at best.

The Global Stocktake

The first global stocktake (GST) scheduled to take place at COP28 in Dubai is among the most awaited outcomes in 2023. The GST is to assess the collective progress of Parties in the implementation of the Paris Agreement goals.

At the current SB session, the technical assessment component of the first GST will conclude, with the convening of the third and last meeting of the technical dialogue, with the

corresponding summary report to be published in July this year and an overall synthesis of the summary reports to be published later in September.

At the current session, four roundtables will be convened as part of the technical assessment. These will be on mitigation, including response measures; adaptation, including loss and damage; means of implementation and support: finance, technology and capacity building; and integrated and holistic approaches. Discussions are expected to focus on “what next” for each of the roundtables. In these roundtables, Parties are expected to address and develop further the emerging messages (in the four areas corresponding to the roundtable topics) in the second **summary report** by the technical dialogue co-facilitators.

A joint contact group will also be convened where Parties are expected to discuss the structure and format of GST outcomes for COP28, and potential follow up processes, if any. The high-level committee, comprising the Egyptian and the UAE Presidencies along with the SB Chairs, are expected to provide an update during SB58 on progress in planning their high-level events.

Several of these areas are likely to see divergences, with developing countries calling for the GST to be based on equity and best available science and the importance of taking stock of collective action and not transferring the burden of developed countries’ inaction onto developing countries via the GST.

Article 6: market and non-market approaches

As regards Article 6.2 of the Paris Agreement (related to the use of Internationally Transferred

Mitigation Outcomes [ITMOS] towards the implementation of NDCs), CMA4 requested the SBSTA to work on a number of topics including the technical expert review and elements related to reporting.

On Article 6.4 (which is a mechanism to contribute to the mitigation of emissions and support sustainable development), SBSTA has been tasked with further work, including on responsibilities of the Supervisory Body (of the mechanism) and of Parties that host activities under the Article in order for such host Parties to elaborate on and apply national arrangements for the mechanism. The SBSTA was also tasked to continue its work in developing recommendations relating to the rules and procedures for the mechanism, including whether Article 6.4 activities could include emissions avoidance and conservation enhancement activities.

On Article 6.8 (non-market approaches), the Glasgow Committee on Non-market Approaches (GCNMA) agreed to move fully into implementing the work programme activities for 2023-2026 in two phases. At SBSTA58, the GCNMA will hold its third meeting in a contact group format on 5 June 2023, where the secretariat will provide update on the status of the development and operationalisation of the UNFCCC web-based platform for NMAs. There will also be an in-session workshop on 9 June 2023 to exchange information, best practices, lessons learned from identifying, developing and implementing NMAs, including the support needed in terms of financial, technology and capacity building.

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- With inputs from Hilary Kung.

UNFCCC bodies launch work, with agendas pending adoption

Bonn, 6 June (Perna Bomzan and Hilary Kung) – The 58th sessions of the UNFCCC’s subsidiary bodies (the Subsidiary Body for Scientific and Technological Advice [SBSTA]) and the Subsidiary Body for Implementation [SBI]) launched work on 5 June after a delayed start with the SBSTA Chair **Harry Vreuls (Netherlands)** and SBI Chair **Nabeel Munir (Pakistan)**, convening the opening plenaries of the two bodies together.

SBSTA Chair **Vreuls** apologizing for the delay said that they had to hold “consultations with Parties that needed time for preparation”. The consultations, according to sources, relate to two agenda items. One is on the Mitigation Work Programme (MWP) proposed by the **European Union (EU)**, while the other is on National Adaptation Plans (NAPs) proposed for addition by the **G77 and China**.

(The MWP agenda inclusion is being resisted by some developing country groupings including the **Like-minded Developing Countries [LMDC]**, **Brazil**, **South Africa**, **India** and **China [BASIC]** and the **Arab Group**, while on the NAPs, developed countries wanted more clarity on what the **G77/China** want to discuss prior to its inclusion on the agenda. Developing countries have been keen to discuss the means of implementation of NAPs prepared by developing countries).

With regards to the adoption of the SBI supplementary provisional agenda issued on 4 June, SBI Chair **Munir (Pakistan)** informed that “extensive consultations with heads of delegations” were held by the SB Chairs, but their “understanding” was that there’s “no agreement on the adoption of the agenda”. **Munir** therefore proposed that work be launched on the basis of the supplementary provisional agenda, with the “understanding” that both Chairs will hold further consultations with Parties and “we will come back

on the adoption of the agenda at a later plenary where we will report on the outcome of the consultations”.

Likewise, SBSTA Chair **Vreuls (Netherlands)** also proposed to launch work in a similar manner and understanding since “no compromise” could be reached on the SBSTA provisional agenda as well.

However, this process created confusion since on the one hand it was understood that the Chairs would come back later on the adoption of the agendas while on the other hand, work was launched on all agenda items, including on the two new additional items proposed.

Bolivia for the **LMDC** requested clarification on the status of the proposed joint agenda item on the Mitigation Work Programme to which SBI Chair **Munir (Pakistan)** explained that further consultations will be held as agreed “while launching work on the basis of the agenda as it stands, while not adopting the agenda”. **Bolivia** expressed confusion on the way forward as well as disagreement on work being launched since “it is very premature for Parties to start discussions on the Mitigation Work Programme (MWP) when different understandings of how we should move forward on this agenda item”. Chair **Munir** clarified that “the agenda was not adopted” and that both Chairs will continue consultations as agreed. **China** too had raised similar concerns during the plenary when it spoke in its national capacity during statements by groupings and Parties.

(TWN has learnt that further consultations with delegations on this matter will take place afternoon of 6 June).

After completion of launch of work on all items of the SBs, Parties and their groupings presented statements outlining their expectations for the session.

Expectations and priorities at SB58

Ambassador Pedro Pedrosa of Cuba, speaking on behalf of **G77 and China**, reiterated that the multilateral system on climate change is based on the UNFCCC, its Kyoto Protocol and Paris Agreement and “reaffirmed that the Paris Agreement is the collective achievement of all Parties, and seeks to enhance the implementation of the Convention, in accordance with its objectives, principles and provisions”. The Group wanted to see balanced progress on all issues, including adaptation, mitigation, means of implementation and loss and damage.

“We fully recognize the importance of keeping the global average temperature increase well below 2°C above pre-industrial levels and continuing efforts to limit temperature increase to 1.5°C, emphasizing that developed countries must take the lead in such efforts. We recognize that limiting global warming to 1.5°C requires rapid, strong and sustained reductions, based on the best available science and equity, taking into account common but differentiated responsibilities and respective capabilities and in the context of sustainable development and efforts to eradicate poverty and leaving no one behind,” said the Group.

“Climate finance, technology transfer, and capacity building are determinant enablers to what the Paris Agreement stands for and hence, G77 and China will be looking for tangible progress at this session and at COP28 on these issues. For developing countries, adaptation to climate change is a priority and a key component of the implementation of the Paris Agreement.” COP28 will conclude the two-year Glasgow Sharm el-Sheikh work programme on the Global Goal on Adaptation (GGA) with a substantive outcome that delivers on the urgent need for progress on adaptation action and support. The Group also expects it to set the GGA framework and work beyond CMA5 (5th session of the Conference of Parties to the Paris Agreement). Therefore, the expectation is that this SB session must produce concrete progress towards this outcome, including on the delivery of finance to developing countries to support their adaptation priorities within their NAPs, NDCs (nationally determined contributions) and others under the UNFCCC.

Elaborating further, Cuba said that, “As we advance our work on the GGA work programme, we must work to develop an equitable and inclusive framework that recognizes developing countries

challenges, ensures flexibility and address the support needed for developing countries, according to Article 9 of the Paris Agreement and take into consideration CBDR-RC (common but differentiated responsibilities and respective capabilities) and countries’ different priorities, needs and circumstances. These outcomes should be outlined in the draft decision of SB58.”

The Group welcomed “the historic decision at COP27 to establish the Loss and Damage Fund (LDF) and call for advancing its full operationalization at COP28. The group hope that discussions during the 2nd Glasgow Dialogue, taking place during this SBs session, will provide useful information to the work of the Transitional Committee (which is tasked with designing the fund). Also of great importance is the operationalization of the Santiago Network through the selection of its secretariat’s host agency at this SB session. The Santiago Network is intended to catalyze and facilitate the provision of loss and damage-related technical assistance to developing countries.”

The Group expected that “the LDF will provide new, additional, adequate, and predictable grant-based funding for ongoing and ex-post actions that developing countries are and will have to take to address impacts of slow onset and extreme events, including rehabilitation, recovery, and reconstruction. It also expects LDF to be a stand-alone operating entity of the Financial Mechanism of the Convention and its Paris Agreement and be guided by and accountable to both the COP and CMA. In that regard, the outcomes of the loss and damage funding arrangements and fund must be designed in line with the provisions and principles of the Convention and its Paris Agreement, including the principles of equity and CBDR.”

On Global Stocktake (GST), the G77 said that “It must be carried out in a holistic, balanced, integrated and facilitative manner, considering all thematic areas, and in light of equity and the best available science. It must enable us to look backwards at implementation gaps and challenges, including those related to pre-2020.” The Group said that “the GST should also look forward in terms of identifying implementation and ambition opportunities to inform Parties in updating and enhancing, in a nationally determined manner, their actions and support, and enhancing international cooperation on climate change”. It also called for text based negotiations as soon as possible for the outcome at COP28.

On the provision of climate finance, it expressed serious concern “on the failure of developed countries to meet the commitment made to jointly mobilize USD100 billion per year by 2020, while noting that the goal will continue through 2025. If we add the accumulation of non-compliance in pledges since the goal should have been achieved as the previous mandate in 2020 and the impact of inflation, this target, which was never based on the needs and priorities of developing countries nor informed by science, is considerably higher, even calculated under existing commitments. Further highlighting that the needs of developing countries to achieve their nationally determined contributions (NDCs) are evolving and around USD5.8 to USD11.5 trillion up to 2030, ..., recognizing that not all countries and regions have been able to quantify their needs”. The Group added that “the current amount dedicated to climate finance for adaptation remains also very insufficient” and supported “the commitment by developed countries at COP26 doubling adaptation finance by 2025 to contribute to achieving a balance between mitigation and adaptation”.

On the New Collective Quantified Goal on Finance, the Group said that the new goal must reflect the needs and priorities of developing countries to enable the achievement of NDCs and other national plans.

On the work programme on just transition, the G77 highlighted the importance of adequate means of implementation for developing countries “to undertake concrete action and address all aspects of just transitions, taking into account different national circumstances and needs. Therefore, all options, solutions and technologies must be explored towards promoting just, inclusive, and affordable transition pathways”.

Zambia spoke on behalf of the **African Group** called on developed countries to take the lead in the efforts to address climate change and calls for an ambitious outcome on adaptation at COP28. On the GGA, it called for “work on decision elements here in Bonn to reach collective targets captured in politically significant framing to materialize the GGA”.

On the GST, the Group expected the GST outcome to “operationalize fairness and a just transition for all” adding that “we cannot have deepened fossil fuel use in developed countries further eat into the ability of African countries to transition in light of constrained pathways towards 1.5°C.”

On finance, the African Group called on developed countries to deliver to restore trust in the UNFCCC process. It said further that, “The Green Climate Fund (GCF) replenishment in October is an opportunity for developed countries to show the world they are willing to do their part to address climate change and support climate action in developing countries.” On loss and damage, the Group expects that the finalization of the selection of the host of the Santiago Network during this session represents a major outcome towards the effective operationalization of the Network.

Bolivia, for the **LMDC** said that its priorities are the GGA, GST, means of implementation for developing countries as well as operationalizing the non-market approaches.

For the GGA, the CBDR-RC principle shall be followed on recognition of the progress, gaps and needs from developing countries, in particular the means of implementation on adaptation action for the GGA.

The Group highlighted some of the challenges in the road to implementation which includes: (a) attempts by developed countries to side-line equity and CBDR and their historical responsibility in causing climate change and its impacts; and not sticking to previous decisions and mandates; (b) tendency among developed countries to shift the burden of climate action to developing countries, which is neither practical nor feasible; (c) tendency to shift the responsibility of provision and mobilization of finance, technology, and capacity building from developed countries to the private sector and to the Multilateral Development Banks (MDBs); (d) attempts to play to the gallery by making ambitious pledges and not fulfilling them, of which are not conducive to trust building; (e) unilateral coercive measures against developing countries and proposals by developed countries to introduce unilateral carbon border adjustment measures in the name of climate change responses that are discriminatory towards developing countries and violate international trade rules, as well as the principles of equity and the UNFCCC provisions.

It outlined seven approaches to overcome these challenges: “(a) Negotiations must be Party-driven, inclusive and transparent; (b) Presiding officers must ensure the principles and provisions of the Convention and the Paris Agreement and the purpose of the Agreement are not diluted; (c) Equity, CBDR and historical responsibility of

developed countries must guide all discussions under the UNFCCC; (d) We must not reopen and renegotiate what we have already agreed; (e) Ambition must be seen in all the elements of the Paris Agreement, clearly highlighting that mitigation for developing countries is contingent upon the provision of finance and means of implementation; (f) There must be recognition that developing countries are already tackling various challenges in addition to addressing climate change impacts; (g) We request the incoming Presidency and SB Chairs to follow a principles-based approach and continue with the practice of thematic consultations, Heads of Delegations meetings, and stress the importance of balanced texts, capturing the views of all the Parties. We also request the Presidencies and other presiding officers to allow maximum time for consultations before issues move into the political level.”

South Africa for **Brazil, South Africa, India, China (BASIC)** lamented that “developed countries failed to deliver enhanced ambition on means of implementation support for developing countries or progress on developing the multilateral response to adaptation. Once again, developed countries failed to honour their commitments under the Convention and the Paris Agreement”. It underscored that developed countries must honour their pre-2020 commitments regarding mitigation, adaptation and means of implementation and support provided without transferring any burden and responsibility to developing countries and that developed countries are required to take “immediate” actions to close the pre-2020 implementation gaps. It further expressed concerns that “some developed countries are burden shifting and imposing unilateral coercive measures in the name of climate action, such as carbon border taxes, that pose a grave threat to the sustainable development of developing countries”.

Samoa on behalf of the **Alliance of Small Island States (AOSIS)**, said that guided by the latest science, the global response to climate change must involve concrete actions on the interconnected response pillars – adaptation, mitigation and loss and damage response with commensurate support for developing countries. AOSIS has two high priorities that must be realised at COP28 at Dubai: (1) course correcting and ratcheting up ambition through the outcome of COP28 including the GST process, MWP and GGA; (2) the timely operationalisation and fit-for-purpose funding arrangement centered around the new fund addressing Loss and Damage and focus

on assisting developing countries that are particularly vulnerable to the adverse impacts of climate change, including the communities and ecosystems.

Senegal on behalf of **Least developed Countries (LDC)** stated that as we are entering the third and final dialogue on GST and moving from technical to political, the Group hoped that focus will be on finding solutions which open the way to increase ambition and support. On adaptation, the GGA needs to be based on CBDR-RC. On loss and damage, it highlighted concerns that loss and damage continued to be side-lined in the GST discussion and that the third technical expert dialogue is only a roundtable devoted to adaptation and does not include a space to discuss financing even though support is very much needed for countries on loss and damage.

Venezuela for the **Bolivarian Alliance for the Peoples of our America (ALBA)** said it is clear that more ambitious commitments are required from developed countries on adaptation, loss and damage, mitigation and provision of means of implementation, including climate finance, technology transfer and capacity building, in line with their historical responsibilities. It stressed that “unilateral coercive measures” very seriously affects the implementation of the Paris Agreement and these are contrary to the basic fundamentals of international and environmental law, restricting countries’ right to sustainable development, further calling for an “inclusive and participatory multilateralism that brings everyone together to discuss the common future”.

Uruguay for **Argentina, Brazil, Uruguay (ABU)** also called for a strong “multilateral” climate regime governed by equity and CBDR-RC, expressing concerns about growing number of initiatives and groups proliferating “outside” of the UNFCCC regime which have the “opposite” of intended effect on the implementation of the NDCs as well as measures taken “unilaterally” should not affect negatively. It stressed that further work is needed to facilitate finance to support the efforts of developing countries.

Costa Rica for the **Independent Alliance of Latin America and Caribbean (AILAC)** said there is a need for ambitious climate action and urgent mobilization of billions of dollars to meet the needs of developing countries recognizing the importance of “public finance” given rising debts due to climate change. It said finance for “loss and damage” must not undermine adaptation and mitigation and must come from “new sources”.

Sweden on behalf of the **EU** stated that the GST outcome at CMA5 should drive: (1) enhanced mitigation actions pre- and post-2030 of all sectors towards decarbonised and resilient economies; (2) strengthening and scaling up adaptation by mainstreaming national policy and reinforcing adaptation policy cycle; (3) a shift in the global economy and the financial markets by orienting all financial flows toward low greenhouse gas (GHG) and climate resilient development.

On the Mitigation Work Programme, the EU hopes to further showcase Party and non-party stakeholders' efforts and ambition. It also highlighted the recent ministerial meeting which promoted global goal for energy efficiency, renewable energy and peaking of emissions which complement other goals such as the phase out of unabated fossil fuels and fossil fuel subsidies and encourage following up on these discussions.

On climate finance, the EU said that it stood by its climate finance commitments and recalled the announcement at the Petersburg Dialogue confirming that contributors are confident that the USD100 billion goal will be met this year. "We underscore that financing transition to net zero emissions and climate resilient economies will require aligning global financial flows and integrating climate action into national budget and

resource mobilisation processes." It also looked forward to an agenda item on this topic at COP28 engaging all relevant actors to participate in the implementation of Article 2.1(c) of the Paris Agreement (which relates to making financial flows consistent with pathway towards low GHG emissions and climate-resilient development).

Australia, for the **Umbrella Group** said that, "The output of GST should provide clear recommendations for NDCs to include all gases, sectors and categories and to reflect Parties' highest possible ambition towards keeping 1.5°C within reach, particularly from those Parties whose emission reductions are required to achieve this goal. It should call on Parties to peak global emission by 2025 at the latest."

Switzerland for the **Environment Integrity Group (EIG)** said that it hopes to use this SBs to agree on the structure of GST so that Parties can start working on the elements in the coming months that will be part of the decisions at COP28. The EIG hoped to see strong commitment by Parties to peak emissions by 2025. The group further said that as energy transition will be centerpiece of this year's outcome, it hopes to see a clear call for the expansion of energy including renewables accompanied by plan for urgent decarbonisation.

Address pre-2020 gaps and equity in global stocktake – say developing countries

Bonn, 7 June (Perna Bomzan) – Developing countries made strong calls for the assessment of pre-2020 gaps in implementation and equity to be addressed properly in the technical assessment phase of the global stocktake (GST), in order to assess the collective progress of Parties in the implementation of the goals of the Paris Agreement (PA).

These calls were made at the third and final meeting of the first technical dialogue (TD1.3) of the first GST, chaired by Co-facilitators **Harald Winkler (South Africa)** and **Farhan Akhtar (United States)**, which opened on 6 June in Bonn, Germany at the meeting of the UNFCCC's Subsidiary Bodies. The first GST is scheduled to take place at the UNFCCC's 28th Conference of Parties (COP28) in Dubai, UAE, and the technical assessment phase currently underway, will inform the political messages which will emerge later in the year.

Developing countries, led by the **G77** and **China** and many of its sub-groups underlined that the GST must enable Parties to look backwards at implementation gaps and challenges, including those related to the pre-2020 timeframe, as well as the historical responsibilities of developed countries to emissions since the pre-industrial era, and called for the equitable sharing of the carbon space to limit temperature rise.

In response to these calls, the **United States** said that this was “unacceptable”, adding that the GST is a collective assessment of the PA and “not” the Convention and that equity did not have a single definition but had multiple dimensions. (See below for the detailed interventions). (The PA came into effect in 2016 and nationally determined contributions of Parties for climate action cover the timeframe post-2020, while the Convention covers obligations pre-2020).

At the opening of the TD, the **G77** and **China** led by **Cuba** said that the Group looks forward “to being able to discern and discuss any emerging messages and findings that may be derived from the information inputs assessed during the technical dialogue” and that the key issues to be addressed in this regard include “the reflection and operationalization of equity; reflection of the best available science; the importance of the provision of means of implementation from developed to developing countries to enhance their climate actions; contextualizing collective progress and ambition on sustainable development, the right to development, and the eradication of poverty in an integrated and holistic manner; the progress in implementation and ambition in, and the linkages between mitigation, adaptation, loss and damage, response measures, and the means of implementation.”

Cuba said that “to do so, it would be necessary that the modalities of the GST TD1.3 are done in a way that provides balanced treatment across all the thematic areas of the GST and also enables the perspectives that have been raised by Parties all throughout the technical dialogues (TD1.1 and TD1.2) since last year to be properly reflected. For example, equity is reflected in only mitigation – we would note that equity should be considered in all of the thematic areas as it is, together with the best available science, a key basis of the work of the GST. Finance is imbalanced in its focus on only Article 2.1(c).”

(Article 2.1(c) of the PA provides as follows: “*Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development*”, and has been controversial in the climate negotiations among developed and developing countries with differing interpretations about its scope. While developed

countries are contextualizing it as a stand-alone matter with attempts to shift their financial obligations to the private sector and the multilateral development banks, including linking of provision of financial resources to achieve net zero by 2050, developing countries are pushing for its consideration in the entirety of Article 2 including Article 2.2 which anchors equity and the principle of common but differentiated responsibilities and respective capabilities [CBDR-RC] in light of national circumstances, as well as in the context of Article 9 which obligates developed countries for the provision and mobilization of climate finance.)

Cuba stressed that the GST “must be carried out in a holistic, balanced, integrated and facilitative manner, considering all thematic areas, and in light of equity and best available science”, further underlining that the GST “must enable us to look backwards at implementation gaps and challenges, including those related to pre-2020”. The Group also underscored “the critical importance of substantive attention to this area, in order to sufficiently fulfill the mandate of the GST and of assessing collective progress. Our Group expects to see this front and centre in the outcome of the GST”.

The G77/China underlined the importance of activities under TD1.3 and looked forward to a “robust and substantive CMA5 (5th meeting of the Conference of Parties of the Paris Agreement) decision”. In this regard, it noted that “the output of the technical dialogue informs the work of the Joint Contact Group and the High Level Committee in achieving their respective mandates”. The Group suggested that the Co-facilitators “take into consideration the structure of elements or outline for the GST decision that the Joint Contact Group is expected to develop so that the outputs and their format coming from the technical dialogue will be fit for purpose for the political phase of the GST.”

“This implies that the discussions in the technical dialogue as part of the technical assessment phase should focus on enabling Parties to collectively answer the questions of where we are, how we got here, and where do we go from here in terms of the collective progress in the implementation of the PA,” Cuba added.

It further said that the “technical dialogue should assist us to identify and assess the implementation and ambition gaps, barriers, and opportunities that exist with respect to climate action and international cooperation under the PA, so that we can collectively progress in meeting its

goals. In this context, while stressing that the Intergovernmental Panel on Climate Change’s (IPCC) findings are multilaterally agreed, other information could also be noted as useful for us to consider. We also need to have an assessment of the enablers – finance, technology transfer, capacity building – and the extent to which they have been provided, the costs and support needs that should be addressed. This is particularly important with respect to adaptation in terms of progress towards achievement of the GGA (global goal on adaptation). We also need to have information about the landscape of international cooperation and the barriers and opportunities to it – including looking at barriers such as unilateral measures. We also need to know what the status is of what is happening in other workstreams. Gaps in terms of information and substance need to be addressed”.

Cuba emphasized that “the evolution and recognition of the institutional role of loss and damage issues should also be reflected in the GST” and in closing, expressed hope that “this first GST can be a positive turning point for our multilateral climate change regime, one that can move us from a period of inadequate action and gaps in implementation of commitments, to a period of hope, rebuilt trust, and enhanced international cooperation. For this hope to turn into reality, it will take all of us as Parties, with the support of non-Party stakeholders, to work together in good faith to achieve the outcome that the world expects from us through this GST.”

Ghana for the African Group highlighted the “unique challenges” particularly faced by Africa as backed by the latest IPCC’s 6th Assessment Report’s (AR6) Synthesis Report and focused on what’s been missing until now, especially the “pre-2020 implementation gaps”. Commenting on the various thematic areas: on mitigation, it said that work must be reflected around “equitable sharing of the remaining carbon space”; on adaptation, the largest challenge is “inadequacy of support provided”; on loss and damage, the GST cannot be approached in the context of adaptation so “reiterate our call for a dedicated focus on loss and damage”; on finance, its provision founded under the UNFCCC of “new and additional resources” and that the failure of this commitment is a “key barrier” to achieving the goals of the PA, further responsibilities are clear under Article 4, 9, 13 of the PA with Article 9.3 being clear on commitment of developed countries and “not Article 2.1c” as is currently in emerging

messages; on response measures, the “negative impacts” that are being currently dealt with and provision of support to countries affected. Further, Ghana highlighted the “universally recognised right to development”, stressing that understanding the context on which developing countries are pursuing their climate action is one way to reflect “equity” and that “this context must be clearly articulated in the emerging messages”.

Saudi Arabia for the **Like-Minded Developing Countries (LMDC)** clearly articulated “three very important overarching messages for the GST to keep in mind during this final technical dialogue and towards the outcome: 1) A message of hope and acknowledgment of the positive and effective role of multilateralism and cooperation. Since the PA, we have been able to move the needle, in terms of demonstrable commitment to climate action by many. Many developing countries during this period have been making very ambitious commitments without any support. 2) We are progressing, but we are not progressing past the principles of the PA. Equity, based on historical responsibility, CBDR-RC and differentiation will continue to govern the implementation of this Agreement. Climate action will only truly be just when enacted in support of developing countries’ diverse development pathways, sustainable development, poverty eradication and economic diversification aspirations. 3) The real success of the GST will be a sense of global unity and ownership of an outcome which is equitable, fair and enables international cooperation and on-the-ground implementation across all solutions and approaches, truly leaving no one behind”.

It also expressed frustration on why developing countries’ consistent and repetitive calls to having a “dedicated space to discuss pre-2020 within this technical process have been ignored” and also highlighted the priority issue of adaptation for developing countries stating that the “GST can provide the signals on what is next to operationalize the GGA through its framework and indicators, which will be completed at COP28. This will be able to contribute to enhanced nationally determined adaptation action, and address the gaps and needs in adaptation action and support”. Further, on means of implementation and support, Saudi Arabia expressed concerns about the current positioning as “largely problematic” and underscored that “the GST must ensure the following signals: 1) Finance from developed countries, that is adequate, predictable and

responds to the needs and priorities of developing countries, is an obligation, one that cannot be replaced by crafting confusing language merging Article 2.1c with the obligations of developed countries. 2) Technology development and transfer is severely lacking, but represents a key opportunity to enhance the implementation of the PA across mitigation and adaptation. 3) Enhanced capacity building is critical, especially during a time where developing countries may be considering how to enhance their ambition and implementation, in response to the GST”.

Brazil for **Argentina, Brazil and Uruguay (ABU)** pointed out that the issue of equity appears explicitly only in the roundtable questions/topics about mitigation and encouraged consideration of “equity through all the thematic areas of the roundtables” (of TD1.3). It also expressed regret that a dedicated discussion on pre-2020 has not been convened since TD1.1 and said that “at this point in time, we are going to discuss ‘what’s next’ with not an appropriate context taking stock of the reasons that brought the world to where we are now. It means that critical information is not yet available to take stock of the gaps in an appropriate manner, with a view to inform the way forward as requested by Article 14.3 of PA. Why the temperature increased to 1.1°C compared to the pre-industrial levels? Why there is a significant gap in means of implementation and support? Those findings and other similar findings contained in the IPCC AR6 reports as well as in the co-facilitators summary reports are related to implementation gaps not coming only from the last three years after the post-2020 period started. It comes from many years before. Considering pre-2020 enables Parties to look back and take stock of what happened and where we are now, and then look forward to what could be done. This means that Parties and NPS (non-Party stakeholders) should reflect on the need to assess the progress and gaps related to the pre-2020 period during the roundtables, the World Café and other GST activities at this session. Our Group encourage them to do so, for example, bringing some of the findings emerged from the Second Periodic Review to the discussions to be conducted under the TD1.3 activities, as mandated by the decision 21/CP.27 agreed in Sharm el-Sheikh.”

South Africa speaking for **Brazil, South Africa, India, China (BASIC)** strongly voiced out that “our central concern is that no space has been provided for an in-depth technical discussion and information gathering on pre-2020 issues, which

is unacceptable when we are undertaking a stock taking exercise. Securing a definitive account of the pre-2020 period is a critical part of the GST, as it will allow us to assess its achievements, progresses and gaps, with a view to providing the equity basis towards achieving the long-term global goals of the Convention and its PA. We call on you to address this glaring deficiency as a matter of urgency". Further, it highlighted the issue of finance and was critical that "the guiding questions and materials prepared thus far present a very slanted and restrictive perspective of climate finance, with an overwhelming focus on alignment of financial flows under Article 2.1(c). This narrative ignores the wider finance ecosystem, in particular the need for provision of support and honouring of commitments by developed countries and the need for systemic reform to the global financial architecture. Recommendations arising from the GST political phase that rely simply on Article 2.1(c) will fail the equity and credibility test and will not unlock climate action and ambition".

Algeria for the **Arab Group** said that "we emphasized on several occasions the necessity to preserve the policy space for sustainable development, including poverty eradication. On this critical idea, we are of the view that it is important to create adequate conditions to get developing countries on track. For this reason, our reflection under the GST has to focus on solutions to enhance international cooperation for reaching the Sustainable Development Goals (SDGs) and to address, among other gaps, the lack of developing countries' capacities to implement the PA when it comes to this particular context". It added, "we consider that the principles of equity and CBDR-RC are still relevant. Our work has to focus on the manner to operationalise them in the context of implementing the relevant provisions of the PA. We would like, in this regard, to remind you that Parties are not at the same level of ability and the necessity that the global climate framework has to deal with the existence of a huge amount of national contexts of circumstances that have to be accommodated. Leaving no one behind means that we have to allow every Party to contribute to the global effort to stabilize global warming."

Trinidad and Tobago for the **Alliance of Small Island Developing States (AOSIS)** expressed hope that the TD1.3 will be the "opportunity to further specify challenges and barriers so that we can have a full consideration of where we need to go in order to ensure that we can

shift onto a 1.5°C pathway as well as to strengthen international cooperation on climate action". It echoed the call from the African Group for a "separate and focused treatment for the issue of loss and damage".

Colombia for the **Independent Alliance of Latin America and Caribbean (AILAC)** highlighted that "the commitment to acknowledge the urgency to keep alive 1.5°C is key to deliver ambition at COP28" and said that "equity and best available science plays a substantial role for effective climate action and higher climate ambition". It also emphasized that "assessment and progress on adaptation needs to be strengthened as well as enhanced efforts to avert, minimize and address loss and damage as we move to the final synthesis report".

Senegal for the **Least Developed Countries (LDCs)** called for a clear guidance to "scale up finance and simplify access" given that there is "no adequate finance for adaptation, mitigation and loss and damage". It also conveyed concerns on the treatment of loss and damage being included in the adaptation discussion.

China said that "there are a few significant missing pieces to present a clear picture of where we are and how we get there to achieve the goals of the PA" and elaborated on the "six missing pieces" in the technical assessment so far, namely, pre-2020 progress and gaps; global collective progress; progress and gaps on implementation and delivery of NDCs (nationally determined contributions), given many developing countries' NDCs are conditional; absence of information and assessment of cost and support needs attached to different temperature goals, targets and modeled pathways; absence of substantive assessment of adaptation progress and gaps on a global scale towards achieving GGA; and assessment of landscape of international cooperation and what's next.

It highlighted that according to the latest IPCC AR6 report on mitigation, the historical cumulative net CO₂ emissions for the period 1850-2019 amounts to "four fifths of the total carbon budget for a 50% probability of limiting global warming to 1.5°C and to about two thirds of the total carbon budget for a 67% probability to limit global warming to 2°C", adding that the report shows that "North America and Europe has taken up 39%, whereas Eastern Asia is 12%". In relation to international cooperation, it pointed out that "enhancing international cooperation is the mandated aim of GST"; however, "the environment

for global climate efforts is increasingly deteriorating” given “sanctions on clean energy products; blockages on international clean technology cooperation; green barriers and unilateral measures; disruptions to global economy, trade, investment, supply chains, etc.”. “These all undermine the capacities and progress collectively and individually in addressing climate change, in particular for developing countries”, it emphasized. China also requested the co-facilitators to “objectively and honestly capture” and “reflect” its messages in the technical assessment synthesis report.

India said that “we share the concerns raised by others regarding lack of operationalising equity in our dialogue so far, on pre-2020 gaps, the depletion of the global carbon budget due to disproportionate use by a minority, and the severe constraints and costs that this imposes on low-carbon development, in developing countries”. It firmly stated that “we would not support any prescriptive messages from the GST on what the content of our NDCs should be. Parties under PA retain the sovereign right to determine their climate targets in pursuit of their goals, and reflect them in their NDCs. In this context, we do not support that NDCs necessarily should be economy-wide, comprising all sectors or gases. Those that would like to frame their NDCs in this manner, voluntarily have our full support”. Referring to the IPCC scenarios on global mitigation pathways, India emphasized that “the models and scenarios currently in the scientific literature have not received the close scrutiny necessary to determine whether developing countries’ needs, rights and aspirations are anywhere close to being met by their projections. These models provide pathways that

are based on constraining energy consumption and income growth in developing countries, and project a future for us that we do not want”.

The **United States** expressed concerns over the draft messages that will emerge from the GST process, and stressed the need for the appropriate balance between concerns and hope. Filling the gaps identified from the technical assessment is not solely up to developed countries, it added. It also said that calls for the assessment of the pre-2020 timeframe and for equitable access to sustainable development are “unacceptable”, adding that the GST is a collective assessment of the PA and “not” the Convention. It called for the next round of NDCs to be “economy-wide with all sectors and trajectories” in line with 1.5°C. It also said that in order to mainstream adaptation, “good governance is equally important as finance”. On equity, it said that it is reflected in the PA and that there is no “singular” definition as there are “multiple dimensions” of equity. The US urged focus on one of the long-term goals of the PA which includes Article 2.1(c), adding emphasis on requiring demand for investments, including and mobilising capital from all sources and managing financial risks and the contribution by non-Party stakeholders.

The **European Union** stressed on immediate, deep and rapid reductions to keep warming below 1.5°C and said that for transforming economies making financial flows consistent with the PA is key.

Australia for the **Umbrella Group** said that significant progress has been made since the PA but also, more work needs to be done. It emphasized that it is important to clearly articulate the key messages coming up for global action by “all Parties”.

Equity and justice must be central to just transition pathways, say developing countries

Bonn, 8 June (Hilary Kung) – At the informal consultations on the newly established Work Programme on “Just Transition Pathways” held on 6 and 7 June under the UNFCCC’s Subsidiary Bodies (SBs) in Bonn, Germany, **India** expressed that “global equity and justice must be central to the understanding of just transition pathways”.

China stressed that many Parties were talking about the “transition” but not about “just transition”.

The informal consultations are being co-facilitated by **Selam Abebe (Zambia)** and **Marianne Karlsen (Norway)**.

(The decision adopted last year under CMA4 [4th meeting of the Conference of Parties of the Paris Agreement], established a work programme on just transition for discussion of pathways to achieving the goals of the Agreement, outlined in Article 2.1, in the context of Article 2.2, and requests the SBs to recommend a draft decision for consideration and adoption this year in Dubai, UAE, with the work programme to be implemented in a manner that builds on and complements the relevant workstreams under the Convention and the Paris Agreement (PA), including for urgently scaling up mitigation ambition and implementation.)

(Article 2.1 of the PA refers to the following goals:

(a) Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels...;

(b) Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production;

(c) Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

Article 2.2 states that the PA will be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities [CBDR-RC], in the light of different national circumstances.)

During the informal consultation sessions, the co-facilitators invited Parties to share views and expectations on the work programme from several aspects: objectives, scope, institutional arrangements, modalities, linkages, inputs and outputs and outcomes. There were varied views on the scope and linkages to other workstreams.

On the purpose and objectives, **Cuba** speaking for the **G77** and **China** underlined that “Just Transitions/Just Transition pathways” (in plural) are the key part of fully implementing the Convention and its PA in all aspects, drawing references to Article 2.1 in the context of Article 2.2 of the Paris Agreement and suggested that the work programme should be comprehensive including mitigation and adaptation and also referred to addressing response measures (i.e. the effects arising from the implementation of mitigation policies) and to unilateral coercive measures that are contrary to the Convention.

India stressed that “Just transition pathways for developing countries entail low carbon development based on the equitable access to the global carbon budget and fair and rational utilization of resources per national circumstances and priorities. Climate change is a global collective action problem and therefore we must speak of equitable and just global transition pathways. Equity and principles of CBDR must be central to the consideration of our work under this

programme... Low carbon development pathways in developing countries have to foreground issues of energy access, eradicating poverty, and improving the well-being of our people. There are issues of energy security, affordability and reliability that are central to the meeting of sustainable development goals and meeting the aspirations of the Global South.”

In terms of the scope of the work programme, India reiterated that there should be no prescription and the importance of national circumstances in the understanding of just transition pathways.

“Discussions around just transition pathways must not be focused only on mitigation but must take into consideration the challenges for adaptation, the means of implementation, and the implications of the impacts of global warming on the availability of such pathways. This is why we believe that linkages of just transitions should not just be with the mitigation work programme but must also foreground discussions on aspects of adaptation and means of implementation. We concur with other colleagues who have highlighted the same,” said India.

China pointed out that “just transition” is different from “transition” and that a lot of Parties were talking about “transition” but not “just transition” and suggested that there is need to better define the “boundary” and focus on what is most crucial for this topic. **Liberia** made similar remarks.

Kenya for the **African Group** said that the launch of the just transitions work is timely and crucial towards the realization of the PA goals and it would like to see a broader scope of the work programme. It stressed the right to development for developing countries which supports the implementation of all climate action, and that the work programme should therefore be comprehensive.

Ethiopia for the **Least Developed Countries (LDC)** also highlighted that the means of implementation is crucial for the just transitions work programme and should not create additional burdens for LDCs and other developing countries.

Saudi Arabia for the **Arab Group** emphasized the need for a balanced and inclusive just transitions work programme that recognized the different pathways in the context of sustainable development and poverty eradication. Given that this is a cross-cutting topic, this work programme should not be mitigation centric but should adopt a wider scope, and not just focus on the just transition of the workforce, it added further.

Argentina for **Argentina, Brazil and Uruguay (ABU)** pointed out that it is important to make sure that the “just transitions” will not widen existing gaps or the inequality among countries and will not hamper the development pathways of the Global South.

Bolivia stated that, just transition is mostly about climate justice that implies thinking from the perspective of the most affected peoples and those that are most vulnerable. It suggested four areas of work in the Just Transition Work Programme: “(1) Just transition for Mother Earth with the requirement not to exceed the limits of life systems; (2) Just transition for developing countries, with economic diversification measures and comprehensive energy transition, aimed at drastically reducing social, economic and technological inequalities in the world; (3) Just transition for all peoples with the management of mitigation, adaptation and loss and damage and the provision of the means of implementation, allowing most of the vulnerable people of the world to have access to energy, a decent and secure livelihood, and a future with dignity; (4) Just transition for indigenous peoples recognizing the importance of their knowledge to address the climate crisis, considering the epistemological parity between the modern academic science and ancestral science. To date, indigenous peoples are the heirs and stewards of the wisdom of ancient and millenary civilizations, and have important solutions for the climate crisis.”

Bolivia also proposed a principled-based approach by taking into account equity, CBDR, climate justice, protecting and respecting the rights of Mother Earth for Living-Well in harmony with Mother Earth and also taking into account principles and views of indigenous peoples (Andean societies). It also called for the wise management of the remaining carbon budget (to limit temperature rise) and for developed countries to halt now the consumption of the carbon budget that already belongs to developing countries and for Parties to work for a sustainable future for people and planet.

The **United States** recalled the mandate of the decision from the Sharm el-Sheikh which stated that the establishment of the work programme is to achieve the goals of the PA outlined in Article 2.1, in the context of Article 2.2. The US agreed with the G77 that just transitions are nationally determined and inclusive of all technologies. The US also said that none of its proposals are inconsistent with CBDR-RC.

In response to calls from developing countries for means of implementation, the US and the **United Kingdom**, referred to Article 2.1(c) of the PA on aligning financial flows with ambitious climate action or “transition” towards phasing out of “inefficient” fossil fuel subsidies.

(The interpretation of Article 2.1(c) has been contentious with developed countries advancing a very broad interpretation which includes looking at financial flows from all sources, including from a broader donor base that covers developing countries as well as the private sector, while developing countries argue that the Article should be read within the context of Article 9 of the PA, which makes developed countries responsible for the provision and mobilization of climate finance.)

Norway said that the purpose of the work programme should be to enhance knowledge and capacity and how countries can do just transition within the framework of their nationally determined contributions (NDCs).

Canada said that the work programme can be powerful to enable ambitious mitigation action, provide new economic opportunities, and create new jobs and skill sets.

The **European Union (EU)** said the work programme should provide information on just transitions and it expects a yearly report to provide relevant information in relation to NDCs and Long-term Low Emissions and Development Strategies (LT-LEDS).

On linkages with other workstreams, most Parties mentioned the linkage between the Just Transition Work Programme and Response

Measures. Some Parties suggested that the work programme could look at adapting from the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI) but avoid overlapping with the KCI.

Japan gave an example that the mitigation work programme was also discussing just transition in the energy sector and suggested that there is need to first identify all the linkages to enhance synergies and avoid duplication.

Bolivia proposed that there should be a strong connection between just transitions and the PA’s Article 6.8 on Non-Market Approaches, which should also link with the Local Communities and Indigenous Peoples (LCIP) Platform to incorporate alternative solutions to the climate crisis.

Other workstreams that were also mentioned were the Global Goal on Adaptation (GGA) and Loss and Damage.

In terms of timeline, many interventions by Parties saw the potential of the Just Transition Work Programme feeding into the next global stocktake (which is a collective assessment of the achievement of the PA’s goals).

The organising of meetings, roundtables, technical dialogues, forums, workshops, submissions by Parties were mentioned as possible modalities for the work programme. Some Parties suggested an annual decision while others said an annual report or summary report could be the output and outcome of the work programme.

The informal consultations will continue on Friday and a draft text capturing Parties’ views is expected to be released by the co-facilitators.

Parties provide reflections on outcome of the Global Stocktake

Bonn, 9 June (Meena Raman) – Parties had a rich exchange of views on the global stocktake (GST) during the first joint contact group convened on 7 June at the 58th session of the UNFCCC’s Subsidiary Bodies (SB58) in Bonn. They provided their reflections on what the GST decision should look like at the climate talks to be held in Dubai end of the year, as well on the GST conclusions out of the SB58 session.

Differences emerged over whether the GST outcome should assess gaps in the pre-2020 period, with the **Like-Minded Developing Countries** and **BASIC (Brazil, South Africa, India and China)** calling for inclusion of assessment of gaps in the pre-2020 period. This was however opposed by **Canada**. (The **United States** at the opening plenary of the GST had clearly said that the GST is an assessment of the collective progress in the implementation of the Paris Agreement (PA) goals and not the UNFCCC). (See [TWN Update 3](#)).

(At the current SB session, the technical assessment component of the first GST will conclude, with the convening of the third and last meeting of the technical dialogue, with the corresponding summary report to be published in July this year, and an overall synthesis of the summary reports to be published later in September.)

Cuba for the **G77** and **China** said the GST outcome should be comprehensive and reflect all the thematic areas; it would be about looking backwards at implementation gaps and looking forward towards opportunities for addressing such gaps. The CMA (meeting of the Parties to the PA) decision should reflect an assessment on the progress and gaps in ambition and implementation of commitments and identify the opportunities, challenges and solutions for ambition and implementation in light of the principles and

provisions of the Convention and the PA, said Cuba further.

Cuba also suggested that the joint contact group should agree on a top-level outline of the key elements of the CMA decision on the GST, which would then serve as the initial basis for further work to be undertaken intersessionally by the Parties in developing the outputs for the political consideration phase, including at the GT workshop in October and at COP28 (28th Conference of the Parties on Climate Change).

As part of preliminary areas in the outcome text, Cuba proposed a preamble; background/context/vision; crosscutting general assessment of collective progress; mitigation; adaptation; means of implementation; response measures; loss and damage; international cooperation; and way forward.

Cuba also suggested the Joint Contact Group should recommend to the SBs to “issue a joint call for submissions from Parties on the elements of the CMA decision, using the initial draft outline agreed at this session as the basis, and requesting Parties and non-Party stakeholders to provide their views and suggestions with respect to the substantive content based on the outline. The deadline for making submissions pursuant to this call could be in mid-August 2023 but after the publication of the factual synthesis report, with the Secretariat be requested to compile these submissions and make them available to Parties and non-Party stakeholders,” said Cuba.

Saudi Arabia for the **Like-Minded Developing Countries (LMDC)** highlighted the issues of pre-2020 to be at the forefront of the GST outcome. It said it is critical to respond to the mandate and ensure inclusive and comprehensive outcome. Saudi Arabia said that the LMDC sees the nature of the outcome as guided by common

but differentiated responsibilities (CBDR), equity, historical responsibilities and how climate action can better synergise with poverty eradication and sustainable development.

On the types of outputs, Saudi Arabia said the CMA decision needs to be the core component and that the declaration or the annex would not be useful. On the outline of the decision, it recommended keeping it simple by looking at mandates and said it supports a preamble and context and cross cutting consideration sections. It also suggested having sections on gaps in collective progress; mitigation; adaptation; loss and damage; response measures; and international cooperation.

Zambia for the **Africa group** said the decision's outline should ensure comprehensive and balanced content and comprise all thematic issues in light of equity. It also said the GST must include the pre-2020 gaps and have forward looking elements to address the gaps. Zambia stressed the importance of leaving Bonn with an agreed broad outline of the decision in COP28.

Algeria for the **Arab group** said it expects the outcome of SB58 to have a top-level outline of key elements to be addressed by the decision to be adopted in Dubai. It emphasized on the need for a submission process following SB58, which would give the possibility for Parties and non-Party stakeholders to present detailed views on the elements to be addressed by the COP28 decision, "based on the outline we agreed in Bonn". Algeria also said that any political declaration has to reflect the views of Parties and added that it was too early to decide on whether to have a technical annex or not.

South Africa for **Brazil, South Africa, India, China (BASIC)** said the decision should have comprehensive messages and include messages on pre-2020. It called for the same structure and comparable outcomes for all the themes and for these to be informed by equity and CBDR. BASIC said that any mandate to the co-chairs is premature. BASIC expressed concern that Parties were transitioning to the political phase of the GST without pre-2020 and biennial reports synthesized by Annex 1 Parties. South Africa also expressed concern on the lack of balanced treatment to finance, with a disproportionate focus on Article 2.1(c) of the PA.

Brazil for **Argentina, Brazil and Uruguay (ABU)** made an impassioned plea for countries to act at the United Nations and said the global Stocktake should unleash unprecedented level of

international cooperation so that the international enabling environment is in place for countries to present their most ambitious nationally determined contributions (NDCs) and close the gaps. Brazil also called on countries to work on the basis of empathy, solidarity and trust.

Senegal for the **Least Developed Countries (LDCs)** said the GST must provide a comprehensive assessment and a pathway forward concerning adaptation, mitigation, including response measures, loss and damage, and means of implementation and support. It must offer clear guidance to countries on enhancing NDCs to keep the 1.5°C limit within reach. Additionally, it should promote actions, support, and enhanced international cooperation for climate action. It expressed concern on the way loss and damage continued to be considered only under adaptation, which undermined the "recognition given to loss and damage in the PA". On the outcome, Senegal said that there should be a CMA decision with a technical annex, followed by a political declaration or a cover decision.

Trinidad and Tobago for the **Alliance of Small Island States (AOSIS)** said the GST outcome should provide policy direction to course correct in areas where insufficient levels of ambition and needs of most vulnerable were not addressed. It said that the process and outcome must be both backward looking as well as forward looking assessment of measures. The AOSIS said the outcome should include a political declaration, a CMA decision and a technical annex. It said the CMA decision should have a section on the way forward, which would invite Parties to explain how the GST has informed their NDC update once it is submitted in 2025 and that the decision must look at crosscutting issues including equity and best available science, progress and gaps and the role of non-Party stakeholders. It also said that it would like to see loss and damage treated separately from adaptation.

Colombia for the **Alliance of Latin America and the Caribbean (AILAC)** said the GST outcomes must be comprehensive and reflect equity and best available science and should provide a state of how "off-track" Parties are from the goal.

China stressed historical emissions of developed countries and pre-2020 gaps are important considerations for the GST. The GST should make substantive assessment and address gaps on adaptation and means of implementation and an ambitious outcome of the GST should focus on implementation and delivery of ambition, said

China. “Empty numerical targets won’t get us anywhere,” said China, adding that the outcome of the GST should be a Party-driven, consensus based on the question of whether there should be a declaration or not. It said it is important to decide how to differentiate the content of the political declaration from the decision. It said an annex is beyond the mandate. The outline of the decision should reflect a balanced presentation of substantive assessment of progress and gaps and have sections on mitigation, adaptation, loss and damage, means of implementation and international cooperation, said China and added that there should be no reference to any sectoral approach. It also said within each thematic area, the structure should be comparable and identical and equity and science should be considered holistically instead of being segregated. It added that the formats, outline and the substantive elements are all interlinked and should be finalised as a packaged at COP28.

The **European Union** said the conclusions from the SB58 should have an introduction section, a section on technical dialogue, calls for submissions from Parties with a deadline of end of August. On the structure of the outcome at COP28, it said they foresee a structure which includes sections on assessing collective progress toward long-term goals of the PA; high level response comprising political messages; opportunity for enhanced action and support along with new political commitments; thematic areas; guidance for NDC and long-term strategies, among others; and a final follow up section.

The **United Kingdom** said there must be a roadmap of actions across mitigation, adaptation and means of implementation, setting out “forward-looking commitments”, including in relevant

sectors. It said it is open to considering how to reflect loss and damage and response measures in the decision.

Switzerland for the **Environment Integrity Group (EIG)** said that the elements of the conclusions from SB58 should include recognition of importance of GST for collective progress; confirm the closure of the technical dialogue process; call for submissions ahead of the October session and for the Secretariat to produce a synthesis of the submissions. Switzerland also said that the COP28 outcome must include overarching reflections on progress and scale of challenge as well as be a transformational roadmap comprising information on ways of assessing gaps and ways of closing gaps. It suggested that issues of response measures and loss and damage could be included in a crosscutting chapter and there should be specific section in the decision on updating and enhancing NDCs and on international cooperation. It said the outcome should contain a chapter on way forward, comprising how Parties and non-Parties will implement the GST outcome and provide guidance to the UN Summit. Switzerland also requested the co-chairs to prepare an informal note capturing the discussions in the room.

Australia spoke on the structure of the outcome and said it should contain a preamble and have sections on assessment of progress corresponding to the global goals of the PA and under each of the sections, description of progress and gaps and commitments to close the gaps. It also suggested having a section on enhancing international cooperation as well as next steps.

The **United States** also spoke along the lines of the structure proposed by Australia. **Canada** said it does not support an assessment of pre-2020 implementation in the CMA decision.

Need for broad approach to just transition pathways – say developing countries

Bonn, 12 June (Hilary Kung) – At the climate talks under the UNFCCC’s Subsidiary Bodies (SBs) in Bonn, Germany, on the newly established work programme on “Just Transition Pathways” held on 9 June, **South Africa**, speaking for the **G77** and **China** expressed concern that “the comprehensive and broad approach of developing countries to just transitions is (being) replaced with a narrower and more mitigation-centric approach, that focuses mainly on the energy sector and workforce.”

The G77 and China made this remark in response to an informal note prepared by co-facilitators **Selam Abebe (Zambia)** and **Marianne Karlsen (Norway)**, to assist Parties in advancing the discussions on the matter, following informal consultations held on 6 and 7 June.

South Africa for the **G77/China** expressed frustration that “most of the inputs submitted by its 134 members, representing over 80% of the world’s population have not been included in the informal note” and underlined “that it is essential to work under the guiding principles of the Convention and its Paris Agreement (PA), based on equity and Common But Differentiated Responsibilities & Respective Capabilities (CBDR-RC) at the start of a new work programme”.

Explaining the need for “a comprehensive and broad approach of developing countries to just transitions”, South Africa stressed “the need to acknowledge that sustainable development, including poverty eradication and ending hunger, is the first and overriding priority of developing countries”. Elaborating further, the **G77/China** suggested clear language in the informal note to reflect the diversity of national development pathways, own timelines and challenges and priorities for development in developing countries.

The Group called for an integrated and holistic approach to sustainable development, comprising all three pillars, economic, social and environmental, poverty eradication, right to development, ending hunger and ensuring food security. It then put forward some concrete suggestions to ensure a balance between energy security, economic development and climate action, as well as consistency across mitigation, adaptation and means of implementation.

It also said that the informal note does not fully recognize that Just Transition pathways have a global dimension, in which developed countries must take the lead in demonstrating such transitions within their jurisdictions and assist to mobilize financing for transition in developing countries as per Article 4.4 of the PA.

Commenting further, it said that the document “does not reaffirm that any measure regarding just transitions should be in line with Article 3.5 of the UNFCCC, in the sense that the measures should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade, in order to avoid increasing the gap between developed and developing countries”.

The key objective of the work programme envisioned by the **G77/China** as expressed by South Africa is to help unlock and identify the appropriate and available means of implementation support; the importance of implementation of the nationally determined contribution (NDC) cycle and implementation of all aspects of the Convention and its PA, adding that the most fundamental aspect of this discussion is reducing inequalities amongst and within countries, as well as how to ensure that the transition to a low-emission and climate-resilient economy will not widen the existing gaps between countries or, even worse hamper the developmental pathways of the Global South.

On the institutional arrangements, the G77/China stated that it does not support the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI) serving as an expert body given its distinct mandate.

It also said that “incorporating” just transition pathways in the updates to NDCs “is inappropriate as this contradicts the basic principle of the non-prescriptive and nationally determined nature of NDC content and the location of climate action within national development and just transitions plans”. It expected to have an annual decision of the CMA (Conference of Parties to the PA) up to 2027 to feed into the 2nd global stocktake with a review process in 2027.

India said while it was glad to see the informal note capturing the global and national aspects of just transitions, it opposes the interpretation that the work programme must be thought as unlocking ambition, adding that it was “surprised that constant references are made to ambition without adequate balance on questions of equity, justice, and the enablers required to unlock ambition”. It hoped that the Just Transition work programme does not become yet another place to constantly speak of enhanced ambition in the Global South, while ignoring fundamental aspects of equity and justice.

It also stressed that “discussion of an investment and economic policy framework at a narrow national level for just transition pathways will be prescriptive in nature and infringe on the sovereign right of countries to determine their own pathways to achieve low carbon development in accordance with national circumstances.”

(One of the themes in the “Scope” section of the informal note stated as follows: “An investment and economic policy framework to facilitate investments into just transition pathways”).

India stressed further that “Just transitions in the context of developing countries are low carbon development pathways as many developing countries have large deficits in energy access and socio-economic development. There cannot be any prescribed singular pathway to net-zero” and expressed concerns that there was “an overwhelming focus on mitigation and the energy sector” and stressed the need for “other aspects of climate action including the means of implementation, which must be foregrounded in the discussions of just transition pathways,” it said further.

Kenya on behalf of **African Group** said an overarching consideration for them is that just transition pathways cover both climate resilient development and low emissions pathways. However, it does not expect the work programme to help in identifying pathways because the pathways should be nationally determined. It said the work programme should not be mitigation centric and should include adaptation and loss and damage.

Saudi Arabia for the **Arab Group** reiterated the importance of the principle of CBDR and any ambition must be outlined by respective Parties’ NDCs and not to add additional burden to developing countries. It said just transitions must balance energy security, climate action and development together and not forgo one or the other. It also stressed the importance of sustainable development and poverty eradication for developing countries, adding that the work programme should not promote barriers but promote just and equitable transitions. The Arab Group said they will not accept any sectoral approach in the work programme but stressed the importance of means that can advance the implementation of climate actions and expects to discuss pathways but not on reporting requirements other than those that have already been indicated in the NDCs.

Ethiopia on behalf of **Least Developed Countries (LDCs)** stressed the importance of scaling up grant-based climate finance in developing countries in particular LDCs, adding that there should also be support for small and medium enterprises in just transitions.

Malaysia proposed to include “aging and aged workers” in the scope of the work programme and also underlined the importance of recognizing that there can be “many actions in the countries” and thus suggested changing the “enhance action in relation to just transition pathways” to “enhance actions (in plural)...”.

China stressed the importance of “knowledge sharing” and “actions”. In terms of the timeframe, it did not believe that the work programme is long term but is happy to keep it open with a five to six years work plan and a review during the third year.

Bolivia suggested that there is a need for the just transition pathways to take into account social justice, climate justice and right-based approaches, adding that the just transition pathways to global net zero needs to take into account climate justice, equity and CBDR in the context of historical

responsibilities. One missing theme in the informal note is “just transition pathways for Mother Earth” and pathways for all the people, it added further.

Switzerland on behalf of **Environmental Integrity Group (EIG)** suggested that the informal note should reference human rights, and emphasized that the work programme should focus on knowledge and experience sharing; it should be action-oriented with each country crafting their own just transition pathway in their own context. The EIG expects the work programme to last for two to three years with decisions to be adopted whether to continue at the end of the period.

The **United States (US)** said that just transition is an enabler to enhance domestic climate actions. It suggested that there is no need to mention CBDR explicitly, “given all of the proposals are naturally in line with the principle of CBDR and inherently of climate justice”. The US said that there is only one objective from the work programme which is a focus on the socioeconomic challenges and opportunities related to all goals of the PA.

On the themes listed in the informal note, the US suggested deleting “Financing for just transition pathways” since the Mitigation Work Programme is already looking at financing for just transition. Instead, the US proposed to replace this with “Article 2.1(c) of the PA” which is about making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development, which it said, includes the phase out of unabated fossil fuels. The US did not want an annual decision as an output and outcome from the work programme, but said that instead there should be a summary report at the end of the programme.

The **European Union (EU)** said what is missing in the document is the underlying urgency to address climate change and would like to see some language on limiting temperature rise to 1.5°C, and also supported the proposal to include the mention of human rights. It expects the work programme to have one objective which is enhancing the understanding and promoting of actions in regards to just transitions towards net zero emissions and in enabling or enhancing more ambitious climate actions. It reiterated that the focus should be on the just transitions for workforce, quality jobs, reskilling and upskilling and also a second theme is to support the marginalized and low-income communities as well as the future generation. It should also have a gender perspective. The EU said that it is too soon to comment on the institutional arrangements.

New Zealand stressed that the just transition work programme is a powerful tool to enable ambitious climate action and this is complementary to the Mitigation Work Programme.

The **United Kingdom** said there was strong agreement on just transition as a powerful tool and the objective is quite clear which is about all the goals of the PA. It preferred to have a one-year work programme and review what would be needed for the following year.

Norway proposed that the institutional arrangement for the work programme be under the Subsidiary Body.

The next informal consultation is scheduled on 12 June and a second iteration of the informal note is expected from the co-facilitators.

Progress of work at Bonn climate talks, pending agenda adoption

Bonn, 12 June (Perna Bomzan) – At the end of the first week of the 58th session of the UNFCCC’s Subsidiary Bodies (SB58) in Bonn, negotiations on the various agenda items under the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) have been progressing at different paces, pending adoption of both agendas (See [TWN Update 2](#)).

This article provides a snapshot of status of negotiations on the pending agendas of the SBs and on two key issues of high importance to developing countries: the global goal on adaptation (GGA) and the Santiago Network on Loss and Damage (SNLD).

Pending Agendas of the SBs

Discussions on the provisional agendas of the SBs continued with both SBI Chair **Nabeel Munir (Pakistan)** and SBSTA Chair **Harry Vreuls (Netherlands)** consulting with Parties behind closed doors throughout the first week. Consultations happened largely over two agenda items, viz. on the Sharm el-Sheikh mitigation ambition and implementation work programme (known as the Mitigation Work Programme [MWP]) proposed by the **European Union (EU)** and on the National Adaptation Plans (NAPs) proposed by the **G77** and **China**.

While there was agreement to include the NAPs in the SBI supplementary provisional agenda, TWN has learnt from sources that there is however no consensus on including the MWP item.

Meanwhile, sources also inform that another proposal on scaling up mitigation finance has been proposed by the **Like-Minded Developing Countries (LMDC)** to be included in the agenda of the ongoing SB session.

The MWP agenda inclusion is being resisted by some developing country groups led by the **LMDC, Brazil, South Africa, India, China (BASIC)** and the **Arab Group**. It is learnt that according to these groups, there is no mandate at “this” session to discuss the substance of the MWP (decision 4/CMA4). They refer to paragraphs 15 and 16 of the Sharm el-Sheikh decision on the MWP, which requests the Secretariat to prepare two reports on each of the global dialogues along with an annual report for the consideration of the CMA (Conference of Parties to the Paris Agreement [PA]).

(The relevant paragraphs from the decision 4/CMA 4 reads as follows:

15. Requests the secretariat to prepare, under the guidance of the co-chairs of the work programme, a report on each of the dialogues referred to in paragraphs 8-9 above, reflecting in a comprehensive and balanced manner the discussions held and including a summary, key findings, and opportunities and barriers relevant to the topic, and to prepare an annual report comprising a compilation of the individual dialogue reports for consideration by the CMA, the SBSTA and the SBI;

16. Also requests the SBSTA and SBI, taking into account the annual report referred to in paragraph 15 above, to consider progress, including key findings, opportunities and barriers, in implementing the work programme with a view to recommending a draft decision for consideration and adoption by the CMA at each of its sessions;)

The first MWP global dialogue convened from 3-4 June, followed on 5 June by what was called an “investment focused event” prior to the opening of SB58 in Bonn. Sources said that the developing country groups expressed the view that any substantive discussions will have to wait until

the report of the first global dialogue is made available, and that discussions can take place in Dubai, UAE later this year, when the annual report from both the dialogues are available.

Meanwhile, the **LMDC** presented another agenda item on mitigation finance for inclusion in the SB58 agenda under Rule 13 of the UNFCCC's draft Rules of Procedure, which states that "only items which are considered by the COP to be urgent and important may be added to the agenda".

The LMDC's proposal is titled, "Urgently scaling up financial support from developed country Parties in line with Article 4.5 to enable implementation for developing countries in this critical decade."

(Article 4.5 of the PA states that "Support shall be provided to developing country Parties for the implementation of this Article, in accordance with Articles 9, 10 and 11, recognizing that enhanced support for developing country Parties will allow for higher ambition in their actions.")

The **rationale** for the LMDC proposal states, "Given that discussions under Article 4 of the PA will be increasing, and recognizing the importance of Article 4.5, there can be no discussion on enhancing mitigation ambition in developing country Parties without an accompanied discussion on enhancing financial support ambition from developed country Parties."

Sources said that the proposal was supported by the **Arab Group**, the **African Group**, the **BASIC** group of countries and **Argentina, Brazil, Uruguay (ABU)**. However, the LMDC proposal was met with complete rejection by the developed countries, said the sources further who also told TWN that the **United States (US)** and the **European Union** called the proposal as "non-serious" and the US even suggested that Article 4.5 does not specify that the developed countries would provide support (even though Article 9.1 clearly makes it a legal obligation on developed countries to provide financing to developing countries for their mitigation actions).

Sources confirmed to TWN that the issue remained deadlocked until the end of the first week of the climate talks and it remains to be seen how the issue gets resolved as the climate talks enter the second week. The opening plenary session of the SBs which was adjourned on 5 June is scheduled to resume afternoon of 12 June.

Global Goal on Adaptation (GGA)

The key issue of contention on the development of the GGA framework is that the developing countries want a draft conclusion with a comprehensive structure of the framework as well as inclusion of targets and/or indicators while the developed countries want to keep the structure very "high-level" without any targets and indicators.

On 10 June, Co-facilitators **Janine Felson (Belize)** and **Mattias Frumerie (Sweden)** presented a draft text comprising two parts – the first part contains seven paragraphs related to largely procedural issues while the following second part contains a "compilation" of different elements without any headings, based on "views" of Parties made at the first informal consultations on 7 June.

Paragraph 7 of the first part of the text states that the views "may be considered" in the development of the framework, "recognizing that they do not represent consensus among Parties".

It is to be noted that the second part of the text comprising compilation of different elements captures views on targets and indicators.

Reacting to the draft text, the **G77 and China** led by **Suriname** said that "the G77 and China proposal was the basis for the structure of the draft recommendations for a decision and this has not been adequately reflected in the current text. The text should be restructured framed by the elements of the headings as proposed by the G77 and China."

It said that "the text should be based on the following elements:

1. The Preambular text
2. Capturing Progress of the Glasgow Sharm el-Sheikh Work Programme 2022-2023
3. Establishment of the GGA framework
4. We all agreed that something needs to follow, but we will provide greater clarity on this at a later time
5. Additional work
6. Reporting instruments
7. Finance
8. Budgetary Provisions."

It also provided specific bullet points under "Establishment of the GGA framework" spelling out the purpose of the framework and on the subject of targets, it provided seven "options" saying that "the G77 and China would like to propose a non-

exclusive, non-exhaustive contribution, that is still under discussion but we think it is important for it to be captured”. Suriname reiterated that “for G77 and China, the inclusion of targets as part of the GGA framework is critical and we would like to stress the importance of moving into substantive discussion on targets.”

On the process issue, at the outset, it raised a point of order saying “this is a Party driven process, so it is very inappropriate and incorrect for the Secretariat to communicate to us by email to propose having an inf-inf [not formal negotiations with representation by all Parties] without Parties calling for one. This is a dangerous precedent that the G77 and China will not entertain,” Suriname added.

It also pointed out that being a large Group, it would prefer to be given “adequate time to coordinate”, asking for more time allocation, to elaborate each element of the draft recommendations for the decision to be adopted in Dubai later this year.

Developed countries led by **Norway**, the **United States**, the **European Union**, **Canada**, the **United Kingdom**, **Japan** and **Australia** said that the draft text does not adequately reflect all Parties’ views and focused their interventions on keeping the structure very high-level with no targets and indicators including some of them suggesting to delete the entire second part of text containing the compilation of different elements.

The other political issue pointed out by them was references to the “UNFCCC” and the principle of “common but differentiated responsibilities and respective capabilities” (CBDR) in the draft text which they called for deletion, arguing that the GGA is under the Paris Agreement (PA) and its CMA (Conference of the Parties to the PA).

China speaking for the **Like-Minded Developing Countries (LMDC)**, **Saudi Arabia** for the **Arab Group**, **Ecuador** and **India** defended keeping both references to the UNFCCC and the principle of CBDR in the text stating that the PA is under the UNFCCC and Article 2.1 of the PA clearly says “..... in enhancing the implementation of the Convention.....” while Article 2.2 anchors CBDR and equity in the PA implementation.

In closing of the session, the co-facilitators invited Parties to send through their written submissions to “determine the best way forward to reform the current text” and informed that the next iteration would be shared with Parties in the morning of 12 June.

Santiago Network on Loss and Damage (SNLD)

Discussions are progressing on the selection of the host of the SNLD secretariat with two short-listed proposals under consideration from the following interested organizations: (1) Caribbean Development Bank (2) UN Office for Disaster Risk Reduction and the UN Office for Project Services.

On 9 June, Co-facilitators **Cornelia Jager (Austria)** and **Lucas di Pietro (Argentina)** produced a draft text comprising procedural conclusions as well as elements of a draft decision. The focus of the session was to present views on the “preferred option” of the host of the SNLD secretariat as well as reflections and inputs on the draft text.

Philippines on behalf of the **G77** and **China** said that the Group is still working through the selection process and that although some of its sub-groups have made their selection but no “common choice” has been reached, hence, it is not ready to engage on this particular discussion.

As regards the draft text, it expressed disappointment that certain matters presented in its initial interventions [during the first informal consultations on 7 June] were not reflected. It further added that the Group has a suggested text and gave a rundown on its elaborate text which includes “Draft SBI Conclusions” in relation to the selection of the host for the SNLD secretariat as well as “Draft COP/CMA Decision On Arrangements To Make The Santiago Network Fully Operational”.

The Group’s proposed draft SBI conclusions, among other matters, includes an important paragraph on the “memorandum of understanding” with the selected host agency, spelling out the following four key points:

(i) that the secretariat is a “hosted secretariat which is independent and is accountable to and under the guidance of the Santiago Network Advisory Board” and that it would be “substantively separate operationally in implementing its roles and responsibilities and the functions of the Santiago Network from the activities of the host agency while being administratively hosted by the host agency”;

(ii) that the host agency will “support the hosted independent secretariat in having a broad regional presence that will ensure that the hosted secretariat and its services will be easily, equitably, and directly accessible to Parties in all developing country regions while recognising that the hosted secretariat’s main administrative office will be

hosted in an office of the host agency” and that the secretariat will have a “lean, cost-efficient organisational structure”;

(iii) that the “scope of technical assistance activities and other support that can be catalyzed, facilitated, or assisted through the Santiago Network and its hosted secretariat will be consistent with the wide range of topics and full spectrum of technical assistance and other support relevant to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, including urgent and timely responses to the impacts of climate change, economic and non-economic losses, extreme weather events, slow onset events and the linkages between them, with a view towards rehabilitation, recovery, and reconstruction” and to “ensure that the host agency’s activities under its primary institutional mandate will not adversely affect the activities of the Santiago network hosted secretariat”;

(iv) that the host agency “commits and undertakes to provide in-kind and other support that may be needed by the hosted secretariat to ensure an adequate, predictable and sustainable level of operations and activities to implement the hosted secretariat’s roles and responsibilities and the functions of the Santiago Network.”

The Group’s proposed draft COP/CMA decision elaborates selection of the host agency for the secretariat of the Santiago Network; adoption of the memorandum of understanding; the Advisory Board; the host agency for the Santiago Network secretariat; the national loss and damage focal points and liaison to the Santiago Network

secretariat; and financial support for the Santiago Network and its secretariat. One key point underscored is for the Advisory Board to develop guidelines to address “conflicts of interest” with respect to the host agency.

It requests the Advisory Board to develop guidelines to address conflicts of interest that may arise should the hosted secretariat engage the technical support services of organizations, bodies, networks and entities that may otherwise be providers or recipients of technical assistance and other support that the hosted secretariat may seek to catalyze or facilitate.

Philippines further said that its suggested text also contains an “Annex 1” with a “placeholder” on the memorandum of understanding between the governing body or bodies to the UNFCCC and the PA and the selected host agency.

Most of the developing country sub-groups as well as developed countries who made interventions said that they are still considering both proposals given both strengths and weaknesses.

However, **New Zealand** supported the proposal by the Caribbean Development Bank.

It is to be noted that in the first informal consultations on 7 June, the **Dominican Republic** for the **Alliance of Small Island States (AOSIS)** had also stated that the Caribbean Development Bank is the most appropriate.

In closing of the session, the Co-facilitators proposed “inf-infs” (informal-informal meetings) on the way forward to which Parties agreed. Philippines for G77 and China expressed hope that going forward the Group’s suggested text will be considered.

Global Stocktake on “Integrated and holistic approaches” draws sharp reactions from China and India

Bonn, 12 June (Meena Raman) – At the roundtable on “Integrated and holistic approaches” held on 10 June under the Global Stocktake (GST) session at the climate talks in Bonn, Germany, **China** and **India** provided sharp reflections on the theme, elaborating on the need to underscore and reflect equity and the principle of common but differentiated responsibilities between developed and developing countries (CBDR).

The roundtable was held as part of the first technical dialogue (TD 1.3) of the first GST, which is chaired by Co-facilitators **Harald Winkler (South Africa)** and **Farhan Akhtar (United States)**.

China said that both the historic and current context should be presented in the technical assessment of GST in relation to the consideration of equity. “Equity and CBDR need to be operationalized in our way forward towards achieving the Paris Agreement (PA), and this should be a key message out of this roundtable,” adding that “equity and CBDR are deeply rooted in the self-evident truth, that all countries enjoy the equal right to development, and every one of its people across countries enjoys equal rights to a decent life.”

Elaborating further, China said that “Historically, the unregulated emissions since the industrial revolution sustained the economic and technological advantages of developed countries over developing countries.” Citing the 6th Assessment Report (AR6) of Working Group 1 (WG1) of the Intergovernmental Panel on Climate Change (IPCC), it said that “due to its cumulative effects, historical cumulative carbon dioxide (CO₂) emissions did not just disappear, but determine to a large degree the warming to date. In addition, according to the IPCC’s WG3 report, just part of the developed countries take-up 40% of cumulative

emissions between 1850-2019; not to 1990 but to 2019, which lays out the fact that emissions by developed countries are both historically and current in an integrated manner.”

China stressed further that “Today, the global climate governance is well-established, while also low-end manufacturing with intense emissions were shifted from developed to developing countries. So the basic fact is that developing countries manufacture products and extract fuels and minerals, leaving emissions in our own territories, while developed countries get to consume the products and minerals without emissions.”

Referring to a report by the Organisation for Economic Cooperation and Development (OECD), China said that “every year OECD countries transferred nearly two billion tons of CO₂ to non-OECD countries by trade, which equals to 15% of annual emissions of all OECD countries. IPCC AR6 WG3 further confirmed that developed countries are net CO₂ emission importers, whereas developing countries are the net CO₂ emission exporters.”

Reflecting on the situation of developing countries in implementing the PA, China said that they are not responsible for historical emissions, or for the transferred emissions from developed countries as they suffer from the failure of developed countries in providing financial support and technology transfer, face multiple domestic challenges including eradicating poverty and sustainable development, imposition of carbon border taxes by developed countries, and a deteriorating international cooperation environment, with developing countries at different starting points, with different resources, who are requested to take the same course, hit the same finishing line, at the same time, with developed

countries. “These facts and the messages to operationalize equity and CBDR should be sent through the GST,” stressed China.

On the issue of “International Cooperation for climate actions”, China said that an assessment of the current landscape should be presented out of this roundtable, with a clear recommendation to eliminate unilateral measures and ensure international enabling environment for climate action. It said that “the environment for global climate efforts is being sabotaged”, citing the imposition of “sanctions on clean energy products and blockages on international clean technology cooperation”, adding that “Some countries even issued a list of critical and emerging technologies that they will only cooperate with allies and restrict broader international cooperation. On this list, renewable energy generation and storage, batteries, energy efficiency technologies are core areas. This clean-energy-technology-monopoly jeopardizes the accessibility to clean technologies by developing countries, as well as the possibility for developing countries to establish and develop our own clean energy solutions and industries.”

China also referred to “Green barriers and unilateral measures on trade and investment, disruptions to global economy, trade, investment, supply chains, etc. which is not only inconsistent with the rules of the World Trade Organization and other respective regimes, but will also undermine the capabilities and progress to address global climate change collectively and individually, in particular for developing countries.”

It said that “a clear message and recommendation to eliminate unilateralism and enhance international enabling environment for climate action should be presented in the synthesis report.”

India took issue with some of the “emerging messages” from the reflections section of the summary report prepared by the co-facilitators from the Technical Dialogue 1.2 under the roundtable four theme of “Integrated and holistic approaches”.

On the message that “*While nations continue to pursue efforts to limit the global temperature increase to 1.5°C above pre-industrial levels, and overshoot increases risks to people and planet, we need to plan pragmatically for scenarios of temporary overshoot*” India countered as follows:

“The term overshoot is a term that comes from the literature on scenarios that has deep flaws in terms of equitable energy access and supply, income growth and consumption levels across the

world. In much of these scenarios, huge levels of negative emissions, especially from afforestation and diversion from other land uses, are assumed, particularly in the developing world, even to meet the target of 1.5°C. The term overshoot implies a situation where having crossed the 1.5°C target, it is hoped that there are technologies that will bring down the peak warming level, by huge absorption of CO₂ gases and/or reductions of non-CO₂ gases from the atmosphere. These are unproven at best, and where proven are traditional methods such as afforestation that call for deployment at huge scale. While all technological research for dealing with the climate challenge is necessary, it is not clear to us why we should include this as our considered GST outcome, especially given its highly contestable assumptions. The plain reality is simply the likelihood of breaching the 1.5°C threshold sooner than later.”

On the message that “*The Convention and the Paris Agreement are processes that set norms which drive policy outcomes to increase international cooperation on climate, within and beyond the processes themselves*” India said that “While the Convention and the PA have undoubtedly many processual aspects, it would be particularly ill-posed to emphasize solely these aspects. They are treaties. They are negotiated, signed and adopted and ratified by each Party. The UNFCCC provides the foundations of the global climate regime, as the academic literature would call it, with the PA being a specific agreement under this Convention, with membership to the Agreement being contingent on membership to the Convention.

India also emphasized that “all Parties have precise obligations and commitments under the Convention and its PA, which are based on principles and values that are as clearly laid out. The scope for further detailing of these, including in terms of quantification, do not take anything away from the precision of these obligations and commitments. Developing countries have long been critical of the developed countries in terms of fulfilment of these obligations and commitments across the arena of mitigation, adaptation and means of implementation. And meeting these will provide the best foundation for trust and confidence. There are similar issues with the Paris Agreement in terms of implementing the equity and differentiation aspects of the Convention.”

“This is an issue that is of considerable significance to our consideration of the GST and our understanding, of where we are and how we

got here” said India further, adding that “this needs to be fleshed out in detail, much of which has already been set out in our other roundtables of mitigation, adaptation and the means of implementation. The question of historical responsibility, of pre-2020 gaps in commitments and implementation and the absence of the meeting the provision climate finance would not be positioned correctly in our outcomes without understanding them in terms of obligations and commitments.”

On the message that “*Governments should implement integrated policy packages that mainstream climate resilience and low GHG (greenhouse gases) development, and strengthen the global response to the threat of climate change in the context of sustainable development and efforts to eradicate poverty*” India said that this point “has some serious issues”, adding that “the entire thrust of which is focused on the developing countries” and questioned why the focus on what developing countries must do.

Referring to Article 2.1(b) of the PA, India said that the Article states: “Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production. Unfortunately, we have found that the vast majority of scenarios of the IPCC that recommend stringent mitigation action, lead to serious consequences for food production and food security. It is these scenarios that are now being used to ask all of us to accept global targets,” it stressed further.

“The real issue is the relationship between development and climate action, that is still an area with huge knowledge gaps that need to be bridged urgently for climate action that does not endanger development,” elaborated India adding that what the IPCC scenarios demonstrate, is the lack of emphasis of equity and differentiation. These are the two foundations of the international covenant that governs our global climate action efforts. Without equity, the words “eradicate poverty” ring hollow. Unfortunately, the constant attempts to limit equity, as applicable only in the context of ambition, will only fuel this mistaken emphasis, argued India further.

On the message that “*Systemic transformations open huge opportunities but are disruptive. A focus on inclusion and equity can increase ambition in climate action and support when it builds trust and solidarity into an upward spiral of ambition and climate action*”, India said

that “While these are hopeful words, these are hardly met in practice. Speculative ambition without feasibility will eventually entail cynicism, while practical, measured and deliberate steps will assist in pragmatic moves forward.”

“Yet again we meet concepts that ignore differentiation. Systemic transformations fit countries and economies that have reached settled levels of accumulation of wealth, of assets, of infrastructure, of human capabilities and the ability to potentially pursue this indefinitely. Systemic is a term that hardly fits developing countries, the vast majority of whom are indeed striving precisely to develop the systems that would provide them a virtuous cycle of growth and sustainable development, as much as costs and barriers as well as the lack of means of implementation would permit,” it said further.

India also said that “the unsustainable production and consumption of the developed world that brings the entire planet to the threshold of the current climate and ecological crises, is hardly called into question in this generality. It is in keeping with this reality, and underlining our own commitment to walking the talk, that India has called for a global movement called LiFE, or Lifestyle for the Environment, a movement away from destructive and unsustainable consumption to mindful and deliberate utilization of natural resources.”

“Transformational adaptation is a particularly disturbing term, when adaptation is the forced reality for the more than 50% of the world that contributes less than one-sixth of the annual emissions. The majority of these 50% live on less than USD3 per day, much less in terms of real dollars. The enormous assistance and support that this half of humanity requires to meet its needs of survival, adaptation and low-carbon development is truly enormous. And yet today our greatest challenge is the provision of the means of implementation, an area in which obligations and commitments have not been met or kept,” India emphasized further, adding that “To call this challenge an opportunity seems less than accurate at best.”

India urged the co-facilitators to reformulate the key messages in these points, highlighting also the gaps noted and to provide a more balanced set of messages.

Other groups of Parties and countries also intervened in the roundtable, including Non-Party Stakeholders.

Efforts continue to break deadlock over adoption of agendas of Subsidiary Bodies

Bonn, 14 June (Meena Raman) – The adoption of the provisional agendas of the UNFCCC’s Subsidiary Bodies (SBs) over the Mitigation Work Programme (MWP) continues to be deadlocked, as divergences between the **European Union (EU)** and the **Like-minded Developing Countries (LMDC)** could not be resolved.

Discussions to bridge differences continued behind closed doors on 13 June between both Parties conducted by the Chair of the Subsidiary Body on Implementation (SBI) **Nabeel Munir (Pakistan)** and the Chair of the Subsidiary Body for Science and Technical Advice (SBSTA) **Harry Vreuls (Netherlands)**, did not manage to break the deadlock.

According to sources, the SB Chairs are to propose the way forward in a meeting with the heads of delegations to be held on 14 June.

The SB Chairs had convened a plenary on 12 June to adopt the agendas of the respective bodies, but differences persisted over two items: (i) on the “Sharm el-Sheikh mitigation ambition and implementation work programme” (MWP) proposed by the **EU** and (ii) a new proposal by the **LMDC**, titled, “Urgently scaling up financial support from developed country Parties in line with Article 4.5 to enable implementation for developing countries in this critical decade” which was proposed to be added to the agendas but was not, due to a lack of consensus. (See related [update](#))

(The SBs had launched work on 5 June, but the agendas were not adopted [see related [update](#)]. Throughout the first week, discussions on the provisional agendas of the SBs continued with the SB Chairs consulting with Parties behind closed doors, without resolution).

The plenary on 12 June opened with the LMDC seeking clarification on their proposal on mitigation finance. They explained that they had

proposed the agenda item to have a dedicated space for Parties to discuss how the means of implementation and support from developed countries could be scaled up to meet developing country Parties’ needs and lead to implementation on the ground.

However, developed countries led by the **EU**, the **Environment Integrity Group (EIG)**, the **United States (US)**, **Norway**, **New Zealand**, **Australia**, **Canada** and **Japan** rejected the LMDC’s proposal to be included in the agenda. Their rationale was that finance was already part of the discussions in the Mitigation Work Programme (MWP) agenda and that finance was already under discussion under several agenda items and in roundtables and workshops.

Bolivia for the **LMDC** and **Cuba** (speaking in its national capacity) called out their bluff.

Bolivia said that developing countries were making serious efforts “beyond what is realistic and possible” to carry out ambitious climate mitigation. Introducing the new proposal on finance is very critical to demand of developed countries, taking into account “social justice and climate justice”, it said recalling the unfulfilled promises of the developed countries, and said, “we have memory”. “We are still waiting for USD100 billion. They say they are talking about the issue of finance but I can say they are not. That is why having a dedicated space to discuss finance is important. Dialogues are spaces simply for exchange of ideas; we need dedicated space to move forward on what has already been agreed (on the provision of finance) from developed countries to developing countries,” said Bolivia.

Referring to the USD100 billion goal, **Cuba** said it was concerned listening to a “chorus by those who have not met their own commitments” and called it a “fraud”. “The Standing Committee

on Finance report talks of the needs (of developing countries) ranging between USD6-11 trillion. Are we willing to talk about that?,” asked Cuba.

The developed countries, however, wanted to adopt the agenda as presented for adoption, which included the EU’s proposal on the Mitigation Work Programme. The **LMDC**, **Arab Group**, and **ALBA (Bolivarian Alliance for the Peoples of Our America)** said they were not in a position to accept the EU’s proposal on mitigation without their proposal on mitigation finance, given that ambition in mitigation is dependent on ambition on the means of implementation support to developing countries to undertake mitigation as is provided for in the Convention and the Paris Agreement (PA).

The LMDC also presented its rationale that there was no mandate to have an agenda item on the MWP at this (ongoing) session of the SBs, given the decision adopted at CMA 4 (4th Conference of Parties to the Paris Agreement) last year.

Long discussions ensued (see highlights of the exchange below), with the SB Chairs proposing that they adopt the agenda with the exception of the MWP and that consultations continue on the matter among Parties. Further, the SB Chairs warned that Parties would lose all the work that has happened across the other agenda items if the agendas of the SBI and SBSTA did not get adopted.

The LMDC accepted the Chairs’ proposal of adopting the agenda with the exception of the MWP and for consultations to continue on the MWP. The EU however rejected the SB Chairs’ proposal, leaving in limbo the fate of the agenda.

Highlights of exchange

At the opening of the session, **Bolivia for the LMDC** requested an update and response from the SB Chairs on their request for the inclusion of a joint SBSTA/SBI agenda item on scaling up mitigation finance.

“As a global community, we are all conscious of the need to scale-up ambition and the effective implementation of the PA. In this critical decade, this is no longer an option to consider, but rather an imperative that must be achieved in line with the foundational principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC),” said Bolivia, adding that it is also no secret that scaling up ambition and implementation is a challenge for developing countries, and in recognition of this reality, the

global community outlined arrangements for means of implementation and support as conditions for ambition and implementation.

“We must remain committed to our differentiated obligations to restore trust in the process and achieve collective progress on our shared objectives. At the same time, we must honour our agreements and proceed with solutions that are feasible, practical and backed by sufficient means of implementation and support,” it said further.

Bolivia also said, “in our hunger for action, discussions have centred exclusively on scaling up ambition against the backdrop of broken promises, failed commitments and low delivery of means of implementation and support from developed countries. That is why a balance between ambition and means of implementation must be struck in our incoming discussions. To ensure that we do not discuss what we *want* to achieve, without understanding how it *can be* achieved,” said Bolivia.

Bolivia stressed equity and CBDR-RC must be integrated back into the outcomes of the deliberations, “in recognition of the key role climate justice has to play in solving our key challenges”. “We must recognize, that when we discuss ambition, it must not only apply to implementation, it must equitably apply to support as well. Article 4(5) of the PA which embodies these outcomes, in line with Articles 9, 10, and 11, and it is overdue that we have a dedicated space as Parties to discuss how means of implementation and support from developed country Parties can be scaled up to meet developing country Parties’ needs and lead to implementation on the ground. Correcting the course of financial support from developed country Parties cannot wait any longer, it must be done urgently to enable developing countries to fulfil their nationally determined contributions. There will be no use to discuss scaling up ambition, without also discussing how to scale up means of implementation. That’s why, we requested inclusion of the agenda item,” it explained further.

The **Arab Group** and **ALBA** expressed similar remarks and supported the LMDC.

Samoa for the **Alliance of Small Island States (AOSIS)** stressed the importance of the MWP for the small island states and supported the inclusion of the MWP agenda item, as did **Costa Rica** for the **Alliance of Latin America and the Caribbean (AILAC)**, which also added that finance is reflected in the MWP agenda as was

intended. **Senegal** for the **LDCs** also suggested finding a way to refer to finance within the mitigation discussions.

Zambia for the **African Group** said that both the agenda items on the MWP and urgently scaling up finance was important and called for a resolution of the matter.

China also supported LMDC and said that finance discussions had not been part of any SB session and more generally, finance was being discussed in roundtables and workshops rather than diving into serious negotiations process.

Cuba said the issue of finance is highly important and long overdue. It said that the more Parties resist the issue of having finance on the agenda, the suspicions will further increase on the lack of means of implementation. Cuba further said that developing countries had not been getting finance and the mitigation they were undertaking was upon their “own shoulders”. Referring to the USD100 billion goal of developed countries, Cuba said the promised finance has not been there since 2009 and expressed frustration that finance was way behind schedule not just for climate but also for the Sustainable Development Goals.

The **EU** said it disagrees with the inclusion of the additional agenda item by the LMDC on finance and that even after hearing the LMDC’s rationale, said it remains confused why there was a new proposal on the table after launching work. The EU further said that finance was being discussed in a lot of places such as Article 9(5) workshop, long-term finance, in high-level workshops and dialogues, in the Standing Committee on Finance and technical expert dialogues, ministerial roundtables and guidance for the Green Climate Fund (GCF) and Global Environment Facility (GEF). It stressed that it objects to the proposal as worded.

The **US** said finance is important and they had no objection to discussing finance issues, and how they relate to mitigation in mitigation discussions and said it does not support Bolivia’s proposal. It further said Parties should avoid proposing agenda items that do not derive from CMA mandates. It said Bolivia’s proposal was not consistent with the PA since Article 4 of the PA did not limit sources (of funding) to come from only developed countries, adding the need to look at the private sector and other sources as well.

Norway said climate finance is urgent and critical, however, they could not support it since finance was being discussed in many areas, including in the MWP. **New Zealand** and

Australia had the same position as the EU, Norway and the US and objected to the LMDC proposal for an additional agenda item on finance.

Switzerland for the **EIG** (Environmental Integrity Group) said everyone wants to discuss finance and there is space in the MWP to discuss finance, and rejected the LMDC proposal.

Responding to the interventions, **Bolivia** for the **LMDC** said it was concerned and worried to hear the interventions of Parties. Bolivia further explained that prior to the adoption of MWP in Sharm el-Sheikh (last year), they wanted the title to include means of implementation, but developed countries rejected the approach, and the “means” was eventually dropped and the agreement was called “work programme for urgently scaling up mitigation ambition and implementation”. Bolivia said with so much of resistance to means of implementation by the developed countries, it was necessary to have a dedicated space to discuss the issue of mitigation finance.

It also strongly expressed that the LMDC “does not accept the inclusion of the MWP agenda item, as there is no mandate for its inclusion; it does not belong to this SB session”, reminding Parties of the mandate from Egypt. It said Parties had the first “Global Dialogue prior to the opening of the SB58 in Bonn. We will have to wait for the report of the first Global Dialogue, the convening of the second dialogue and the annual report to input into a decision. Let us wait for the appropriate time and space to have the discussion, and as per mandates and decisions that we have agreed collectively. We are not in a position to pre-judge the outcome of the dialogues,” said Bolivia.

Bolivia also said that it sees the value of the first Global Dialogue and looks forward to engaging in the next one. “We need to trust the Co-chairs of the MWP to improve the Global Dialogue through learning by doing. We also appreciate that the Co-chairs are also having conversations with groups and Parties and believe all reflections and expectations will be well considered. In addition to that, we believe the Co-chairs will consider the submissions and organize the following Global Dialogues according to the mandate. And the mandate is an exchange of views,” said Bolivia.

It reiterated that it recognizes the importance of effectively delivering the mandate Parties agreed to in Sharm el-Sheikh and remains committed to deliver an outcome in line with the issued decision. It also said it looks forward to further discussions within the dialogues and to the decision in Dubai,

recognizing the importance of delivering mitigation action on the ground. “We are undertaking ambitious mitigation action, but also have to focus on adaptation and suffering losses and damages due to the historical emissions of developed countries. Our challenges are unprecedented, and we do not have the time to play to the gallery or make empty promises,” stressed Bolivia further.

It also said that developing countries had heard about budgetary cycles and approval processes being barriers in developed countries to deliver finance for decades, but without any attempt to systematically address those barriers. “Without a discussion on ways to urgently scale up finance from developed country Parties in this critical decade, we are not in a position to backtrack on our agreement in Sharm el-Sheikh and discuss ambition for mitigation in these SB sessions. We are not interested in empty words, with no real progress. We do not accept the proposed agenda item on MWP. We are ready to accept the agenda

but without the MWP in it. We urge our partners to rise to the occasion and not hold the process hostage,” said Bolivia.

Informal consultations on the MWP

Meanwhile, since work was launched on the MWP agenda despite disagreement on the agenda item, informal consultations continued on 13 June, with Parties expressing divergent views, including on the mandate to have the item on the agendas of the SBs. The **LMDC**, the **Arab Group** and the **African Group** viewed the discussions as being premature, as the results of the first Global Dialogue held on 3 and 4 June as well as the investment-focused event convened under the MWP by its Co-chairs were not ready as yet for reflections of Parties and in arriving at conclusions. Hence, no mandate was given to the co-facilitators of the informal consultations to produce any informal notes from the discussions.

Developed countries chided over attempts to renegotiate climate treaties

Kuala Lumpur, 19 June (Hilary Kung and Meena Raman) – The closing plenary of the Bonn climate talks of the 58th session of the UNFCCC’s Subsidiary Bodies (SB58) held on 15 June, saw statements by groupings of Parties providing their assessment of progress or lack of it.

There were strong reactions from developing country groupings led by the **Group of 77 and China**, that developed countries continued their attempts to renegotiate the Paris Agreement (PA), delete references to the UNFCCC and the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC), and move away from their existing commitments, especially on the delivery of the means of implementation to developing countries.

“We have seen at these SBs, continuous attempt from developed countries to renegotiate the existing binding climate regime and neglect the fundamental principles such as CBDR-RC and equity,” said **Ambassador Pedro Pedrosa of Cuba** on behalf of the **G77/China**, at the closing plenary. Other sub-groups of developing countries also reflected sharp remarks in the same vein.

The intersessional meeting of the SBs advanced work on some agenda items, with conclusions adopted in Bonn which will see negotiations continue further in Dubai, UAE, where decisions will be adopted at COP28 and CMA5 (the 5th session of the Conference of Parties to the Paris Agreement), scheduled to take place from 30 November until 12 December this year.

The SB58 meetings began on 5 June, and concluded on 15 June, with the provisional agendas of the respective bodies being adopted only on 14 June. The adoption of the agendas was deadlocked since the talks began, over the Mitigation Work Programme (MWP), as divergences persisted

between the **European Union (EU)** and the **Like-minded Developing Countries (LMDC)**. Discussions behind closed doors with Heads of Delegations (HODs) finally saw resolution, and the agendas were adopted, without the MWP agenda item, on the understanding that an informal note on the discussions will be produced by the SBs’ Chairs under their own responsibility, and which will be reflected in the report of the SBs. (For background on this, see [TWN Update 9](#)).

At the closing plenary of the SBs which began around 7 pm of 15 June, the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA,) **Harry Vreuls (Netherlands)**, and Chair of the Subsidiary Body for Implementation (SBI), **Nabeel Munir (Pakistan)**, conducted the session jointly that led to various decisions under the respective bodies being adopted, and this was followed by closing statements from groups of Parties.

The closing was delayed due to consultations on the conclusions on a few outstanding agenda items to reach consensus, including on the Global Goal on Adaptation, Research and Systematic Observation, the Santiago Network for Loss and Damage, the work programme on Just Transition Pathways, and the Forum on the Impact of the Implementation of Response Measures, that had been contentious. (Details on these items will be dealt with in forthcoming articles).

Closing plenary statements

Cuba, speaking for the **G77 and China**, while acknowledging that there has been some progress made on specific areas said, “... we are still lacking the necessary ambition and compromise from the developed countries to make

a balanced progress on all issues, particularly with regards to means of implementation and loss and damage.”

The group expressed concerns over the matter of Research and Systematic Observation (RSO) where Parties were not able to reach a consensus on the call for urgent action, adding further that this is because the “developed country counterparts would rather have no call for action than acknowledge the role of equity, CBDR-RC and historical responsibility”.

It also emphasized the need for technical and financial support to bridge the technology gaps in developing countries. On the way forward, Cuba called for an agenda item at CMA5 and COP28 for Parties to discuss Article 10.5 of the PA, to facilitate the implementation of the Agreement’s vision on technology cooperation and innovation.

On the Glasgow Sharm el-Sheikh work programme on the Global Goal on Adaptation (GGA), the group said that while there was some progress, greater effort is needed for a substantive outcome that delivers on the urgent need for progress on adaptation action and support and to set the GGA roadmap beyond CMA5.

On the new work programme on Just Transition Pathways, Cuba reiterated its expectations of a broad work programme to enhance international cooperation towards securing a transition to a low carbon and climate resilient future that is just, which contributes to reducing inequalities within and among countries. It also expressed serious concern about the growing impact of unilateral coercive measures on the capacity of developing countries to carry out their climate actions.

The G77 reiterated its expectation that “the Loss and Damage Fund (LDF) will provide new, additional, adequate, and predictable grant-based funding for ongoing and ex-post actions that developing countries have to take to address the impacts of slow onset and extreme events, including rehabilitation, recovery, and reconstruction. We look forward to having, at COP28, the LDF as a stand-alone operating entity of the Financial Mechanism of the Convention and its PA.”

On Response Measures, the G77/China expressed disappointment that “SB58 resulted in no outcome at this session on this very important agenda item. The midterm review of a workplan which was adopted in Madrid in 2019 was delayed for three consecutive sessions, and the mandate to agree on questions and scope of the review of the

functions, work programme and modalities of the forum is being delayed at this session as well.”

(The UNFCCC’s Katowice Committee of Experts on the Impacts of the Implementation of Response Measures [KCI] was established in Katowice, Poland, in December 2018 to support the work programme of the forum on the impact of the implementation of response measures [forum]. Response measures, arising from the implementation of mitigation actions could have negative impacts, especially cross-border environmental, social and economic impacts such as the contentious Carbon Border Adjustment Mechanism [CBAM], proposed by the EU, which was brought up during the Bonn talks).

On the Global Stocktake (GST), the group said Parties had rich discussions on how the outcomes should be shaped, to enhance the implementation of the UNFCCC and the PA in a comprehensive manner.

Cuba also expressed regret over the fact that climate finance continues to be overlooked as a relevant agenda item during SB58, adding further that, “Despite the fact that the provision of climate finance is now recognized as widely insufficient, and the gap between the needs of developing countries and the support available is growing by the day”, “we have witnessed attempts to deviate existing obligations of developed countries through the twisted interpretation of Article 2.1(c) of the PA”. [Article 2.1(c) of the PA relates to the making of finance flows consistent with a pathway to low greenhouse gas emissions and climate-resilient development].

Bolivia on behalf of the **LMDC** expressed deep concern that the proposal for an agenda item on the mitigation finance, titled “Urgently scaling up financial support from developed countries in line with Article 4.5 (of the PA), to enable implementation for developing countries in this critical decade” was rejected by developed countries. “Mitigation ambition is contingent on the means of implementation and support from developed countries; it is an obligation and responsibility that our partners are backtracking from,” said Bolivia, adding that this “is not a healthy signal”.

The LMDC also expressed concerns over what it heard in the negotiating rooms of attempts by developed countries to renegotiate the existing legal treaties of the climate regime. It cited examples where developed countries suggested the following: “that (i) the Convention does not matter anymore; (ii) the PA does not recognize equity;

(iii) there is no link between the Convention and the PA; and (iv) that CBDR is not a principle”.

Bolivia said further that for developed countries the issue of finance was all about Article 2.1(c) of the PA, and they seem to have forgotten that Article 9 (which makes it mandatory for developed countries to provide and mobilize finance) is still a part of the PA that they signed on to adding that it was even suggested that “support to developing countries is not an obligation of developed countries”.

It also stressed that according to developed countries, “outcomes from scenarios and modelled pathways in the 6th Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) that restrict energy and income growth in the global South are acceptable targets regardless of the severe trade-offs they cause” and “that Just Transition is a national issue, delinked from any means of implementation”. Developed countries also argued on whether to allow the conduct of workshops or not under the Just Transition work programme. In relation to the GST, developed countries wanted “more forward-looking elements than actually taking stock of gaps, including gaps in the pre-2020 period”.

The LMDC also lamented that despite proposals by developed countries to introduce unilateral CBAMs in the name of climate change responses, they are unwilling to have real discussions on such measures under the Response Measures agenda item.

Bolivia asked “What kind of hypocrisy is this?”, adding that “such measures violate international trade rules, as well as the principles of equity and the UNFCCC provisions, particularly Article 3(5) of the Convention.”

The LMDC also called out “the contradictory stance of developed countries in the treatment of issues on adaptation and mitigation”, adding that “On the one hand, in the GGA discussions, they (developed countries) resisted capturing the progress of work at this session,... signaling that it is premature to discuss substantive elements of the GGA framework (despite one and a half years of negotiations) and they do not see the work undertaken to date as ‘progress’. On the other hand, they took the opposite approach by pushing for an agenda item on the MWP, where we have just started during this session (to hold) the first dialogue of two global dialogues mandated for this year.”

The LMDC called on the incoming COP28 Presidency and the SB Chairs to address these

systemic issues because these will have a bearing on the success of COP28. “We cannot talk about mitigation without any provision of finance as a legal responsibility under the Convention. We have to be able to talk and progress meaningfully on adaptation, loss and damage and means of implementation... We cannot talk about Article 2.1(c) in isolation; we have to talk about it in the context of Article 9 of the PA and Article 4.3 of the Convention,” stressed Bolivia further.

While recognizing that addressing climate change requires global collective action, Bolivia said that “we do not live in an equal world” stressing that “this is why differentiation is important... The reality of developing countries is that we are trying to develop sustainably, making efforts to eradicate poverty, battling climate change and a thousand other crises, mostly with our own resources. But we did not create the problem of climate change. English is not our mother tongue, but even we understand the meaning of the word ‘responsibility and compliance with obligations’. We cannot afford to ignore historical responsibility and shift the burden to developing countries,” emphasized Bolivia further.

For LMDC, operationalizing CBDR and equity in the climate regime is about recognizing historical emissions, equitable distribution of the remaining carbon budget, developed countries paying their climate debt to the developing world, and that developing countries are able to meet their developmental requirements, highlighted Bolivia.

Zambia on behalf of the **African Group** registered its concern over the efforts of some Parties that were slowing discussions and reiterated that the PA is clear that developed countries should take the lead in the efforts to address climate change by enhancing their mitigation targets and provision on finance in line with Article 9. It said, “... promises need to be delivered to build trust and enhance our multilateral efforts”.

On GGA, Zambia pointed out that the slow pace of work meant that no progress was made on the target-setting, adding that it hopes the work done thus far, including the informal note (produced from the consultations), will form the basis of the discussions at CMA5 for the establishment of the framework on the GGA.

On finance, the African group expressed concerns “with the attempts of some developed country Parties to divert the obligations of delivering financial resources to support the implementation of climate action to a focus on identifying the nature of financial flows”. The

group warned that this is a shift from Articles 9.1, 9.3 and 9.5 of the PA which state the obligation of developed countries to provide support to developing countries.

South Africa on behalf of the **BASIC (Brazil, South Africa, India and China)** reiterated the need to recognise the broad scope and wide diversity of Just transition pathways, and the international and national dimensions, adding that “The focus must be on international cooperation to help ensure that the transitions are just and contribute to a better and more equal world.”

On MWP, the group expressed its disappointment that “a great deal of time was wasted on attempts to alter the agreed mandate from Sharm el-Sheikh to secure an agenda item on mitigation”, adding that the group was particularly concerned to see repeated attempts by some developed countries during this session to impose new interpretations of the PA to undermine the Convention.

Elaborating further, it called out the attempt of some developed countries across all relevant workstreams at the SB session, to try to elevate the status of Article 2.1(c) of the PA and lift it out of the context of the rest of the financial ecosystem. It said, “The effect of this would have been to divert attention from the non-delivery of financial commitments and to link existing financial flows with conditionality, policy prescriptions and commercial and other interests of only some Parties, to the detriment of others.”

It also said it will continue to defend and promote a more progressive and inclusive vision of Article 2.1(c), where the UNFCCC sends signals to encourage financial flows, including all other aspects of finance, technology and capacity building, as well as for a fundamental transformation of the global financial architecture to make it fit-for-purpose to support sustainable development in developing countries.

Samoa on behalf of the **Alliance of Small Island States (AOSIS)** highlighted that the work on GGA must have a meaningful contribution at CMA5 in Dubai. Commenting on the Santiago Network on Loss and Damage (SNLD), (where Parties were unable to reach a consensus on recommending a host for the secretariat of the SNLD at this session), it emphasized the importance to make such an important decision based on merits, and called for this to be resolved as a matter of great urgency. Further, it also said that finance is what underpins all actions in this regime but also noted that for the most part, Parties

were limited to discussing finance in workshops and dialogues.

Commenting further, Samoa said that AOSIS cannot afford to make good on all fronts in implementing their commitments using their own limited resources, especially when those very resources are also being used to respond to extreme events and loss and damage associated with climate change. The group said it looks forward to making further progress on the New Collective Quantified Goal (NCQG) on finance to operationalise the special circumstances of small island states.

Senegal on behalf of the **Least Developed Countries (LDCs)** expressed concerns that the discussions in Bonn was not reflecting the urgency of the climate crisis. Reflecting on the inadequate progress made on SNLD, the group said the LDCs are determined to ensure that a host will be selected and a consultative committee will be in place so that the SNLD is operational as soon as possible. Commenting on the MWP, it hopes to continue the work and focus on the implementation of their conditional nationally determined contributions (NDCs) and adaptation. On national adaptation plans (NAPs), it expressed regret that Parties only achieved a procedural decision in Bonn.

Venezuela for the **Bolivarian Alliance for the Peoples of our America (ALBA)** called out developed countries for continuing to avoid their responsibility to provide the US100 billion per year that they have promised in terms of climate finance, adding further that in this session, it is concerning that the developed countries even avoided talking about it (referring to the proposal by LMDC to include a new agenda item on urgently scaling up financial support).

Saudi Arabia on behalf of the **Arab Group** highlighted the importance of the KCI by insisting that the results of its work should be a foundation for any additional efforts in the area of mitigation and strengthen the capacity of countries to better deal with the consequences of climate change and mitigate the negative impacts.

Costa Rica for the **Independent Alliance of Latin America and Caribbean Countries (AILAC)** said it regrets not having MWP on the agenda and hoped this will be included in future sessions. On the NCQG, AILAC pointed out the need of having fresh, predictable and accessible resources for developing countries and this will inform the crucial conversation on financial flows which it said should be “broader and addressed separately”.

Brazil for Argentina, Brazil and Uruguay (ABU) also expressed its disappointment over the SNLD for not being able to come up with a decision to select a host after much deliberation.

Sweden on behalf of the **EU** highlighted the need to have a formal space to address mitigation and transformative actions at every SB session, given the urgency to achieve the 1.5°C goal, and expressed regret that it was unable to have such a formal space at SB58. On climate finance, the EU said it recognises the importance of finance across the agenda and it stands by its finance commitment. It also said that the discussion on the Technical Expert Dialogues under the NCQG and the ongoing discussion on the funding arrangements including a fund for loss and damage at SB58 constitute valuable inputs towards convergence at COP28.

The EU also alluded to its intention to have a work programme on Article 2.1(c) of the PA saying, that “financing the transition to net zero emission and climate resilient economies will require an increase in financing from all sources and it is therefore urgent to create a space to consider all relevant aspects for the alignment of all financial flows and define common ground to set up a work programme in this regard.” The EU also said that it will continue working on the Just Transitions work programme focusing on just energy transitions to achieve the PA goals, leaving no one behind.

Australia for the **Umbrella Group** said that it welcomed the progress made on the indicative structure of the GST (decision) and expects the forward-looking elements to guide Parties to develop ambitious NDCs to keep 1.5°C within reach. It reiterated that the GST should address all of the goals in PA, including aligning financial

flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development. It expressed disappointment that the deliberation under the agenda item MWP was blocked at this session, and that this was also the only agenda item for scaling up mitigation ambition and implementation. It looked forward to making up for the lost time at COP28 and the next SB session next year.

Switzerland for **Environmental Integrity Group (EIG)** said, “the GST has to deliver a clear call for the expansion of renewable energy hand in hand with a clear plan for urgent decarbonization, together with an acceleration of the investment needed to enable both to happen”. It also highlighted that it has yet to see concrete follow-up to the call from Glasgow to phase down unabated coal and phase out inefficient fossil fuel subsidies.

On the MWP, the EIG expressed concern that Parties were unable to formally launch the works towards a robust and substantive decision in Bonn. On finance, it welcomed both the launch of the Article 2.1(c) dialogues (to take place later this year), and the Technical Expert Dialogue on the NCQG, and also expected that this year will be used to capture all options on a technical level so that Parties can set the new goal through a political process by COP29 at the end of 2024.

The EIG also highlighted nature-based solutions and alluded to its intention to strengthen the synergies between “biodiversity” under the Convention on Biological Diversity (CBD), “oceans” under the Intergovernmental Conference on Marine Biodiversity of Areas Beyond National Jurisdiction (BBNJ) and climate agreements.

No consensus on host agency for Santiago Network secretariat

Penang, 20 June (TWN) – While significant steps were taken at the Bonn climate talks to ensure that the Santiago Network on Loss and Damage (SNLD) will become operational by 2024, there was no agreement on the selection of the host agency for the Network’s secretariat.

There has been progress following on from decisions of the COP (Conference of the Parties of the UNFCCC) and CMA (Conference of the Parties to the Paris Agreement) in establishing the Network in Madrid in 2019, defining the SNLD’s functions in Glasgow in 2021, and designing its institutional architecture at Sharm el-Sheikh in 2022.

The focus of the talks on the SNLD in Bonn during the 58th session of the UNFCCC’s Subsidiary Bodies (SB58) was on the selection of the host agency for the secretariat of the Network.

Following a call for proposals to serve as host agency issued by the UNFCCC secretariat on 31 December 2022, two proponents submitted proposals as of 31 March 2023 – the Caribbean Development Bank (CDB) and a United Nations consortium composed of the UN Office for Disaster Risk Reduction (UNDRR) and the UN Office for Project Services (UNOPS). An evaluation panel was established to assess the proposals based on the evaluation criteria established under Decision 12/CMA.4, with its report being circulated just before the start of SB58.

The evaluation panel’s report contained information on how it conducted the assessment of the proposals received against the criteria and concluded with a shortlist consisting of the two proponents for hosting the Network secretariat. The panel report noted that both proponents met the criteria.

Prior to the start of informal consultations among Parties at SB58 on the matter, the proposals of the proponents included in the shortlist were

discussed by the proponents and the Parties through an informal event organized by the Chairs of the Subsidiary Body on Implementation (SBI) and the Subsidiary Body for Scientific and Technical Advice (SBSTA) on 7 June 2023. The proponents also subsequently provided additional written responses to the questions raised by Parties during the informal event. In addition, the proponents and various groups of Parties also engaged in informal discussions over the course of SB58 in which Parties sought further clarification from the proponents regarding their proposals for hosting the SNLD secretariat.

The SBs were mandated to prepare a draft decision for the consideration of the COP and CMA at COP28 in Dubai to approve the selection of the host agency secretariat. The UNFCCC secretariat was also mandated, once the SBSTA and SBI had selected the winning proposal, to start discussing and preparing with the selected host, the draft memorandum of understanding that would contain the terms under which the host agency would be hosting the Network secretariat.

As the informal consultations started for the preparation of the conclusions of the SNLD, the **Group of 77 and China** noted that selecting a host agency for the secretariat is neither a simple nor easy decision to make. It indicated that selecting the host agency for the secretariat will determine whether the Group’s vision of the Network as catalyzing and facilitating the provision of the needed technical assistance and other support to developing countries will become an operational reality. The Group’s various sub-constituency groups and the developed country Parties also all stressed the need to select the host agency as a key outcome of SB58.

Given that many of the Parties’ groups, especially those within the Group of 77 and China, had not yet made their decision on selecting the

host agency pending the receipt of the evaluation panel's report and additional information from the proponents, the G77 and China proposed that the informal consultations focus on developing the draft SB conclusions and an outline of the draft decision text, and leave the issue of selecting the host agency towards the end of the SB58 session to give Parties more time to finalize their internal constituency group deliberations. The G77 and China also called for conclusions from this session that clearly indicates: (i) the decision being recommended to the COP/CMA with respect to the host agency; (ii) the substantive considerations that need to be reflected in the memorandum of understanding between the host agency and the COP/CMA to be drafted by the UNFCCC secretariat; and (iii) substantive considerations that could be requested by the COP/CMA for the SNLD's Advisory Board to consider as it starts to exercise its roles and responsibilities vis-à-vis the Network secretariat.

With constructive negotiations among the Parties at the start of informal consultations, the following considerations were agreed ad referendum among the Parties for inclusion in the conclusions, based on which the UNFCCC secretariat would have been requested to take such considerations into account when drafting the memorandum of understanding with the selected host agency:

- a) The roles and responsibilities of the SNLD secretariat, including that it shall be accountable to and operate under the guidance of an Advisory Board, recognizing the different mandates of the host and the Network, and that the Advisory Board will provide guidance and oversight to the Network secretariat on the effective implementation of the functions of the network;
- b) The broad regional presence of the host, and how it can enable access to the SNLD in all United Nations geographic regions with developing countries particularly vulnerable to the adverse effects of climate change, with no region left behind;
- c) The mandate of the SNLD and its functions, including on facilitating the consideration of a wide range of topics relevant to averting, minimizing and addressing loss and damage approaches, including but not limited to current and future impacts, priorities and actions related to averting, minimizing and

addressing loss and damage, pursuant to decisions 3/CP.18 and 2/CP.19, the areas referred to in Article 8.4 of the Paris Agreement and the strategic workstreams of the five-year rolling workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts;

- d) Assurances that the host will enable the SNLD and its secretariat to receive the required financial and other support from a wide variety of sources and through all parts of the consortium to carry out its terms of reference;
- e) Information on the commitment from the host to provide financial, in-kind and other support for the SNLD secretariat for the term of the memorandum of understanding to contribute to the ability of the secretariat to carry out its roles and responsibilities as set out in the terms of reference;
- f) For the SNLD secretariat to have a lean, cost-efficient organizational structure consistent with decision 1/CMA.4, annex I, paragraph 13; and
- g) Provisions for discussions on further arrangements for the implementation of the memorandum of understanding in line with future decisions by the governing body or bodies.

Additionally, Parties agreed that SB58 conclusions would include a request to the UNFCCC secretariat to develop draft guidelines to prevent actual, potential and perceived conflicts of interest in the operation of the SNLD, including whether organizations, bodies, networks and experts should be engaged in providing technical support services to the Network secretariat while responding to technical assistance requests, and whether the host of the SNLD should be responding as an organization, body, network or expert to technical assistance requests. These guidelines would be reviewed and approved by the Advisory Board at its first meeting.

Parties also agreed that the current total amount of funds pledged for the SNLD would be indicated in the draft conclusions, and that there would be a call for Parties to nominate their representatives to the Network's Advisory Board by 15 November 2023.

Finally, the draft conclusions developed by the Parties at SB58 included a draft decision on

the selection of the host agency, and elements of another draft decision on the Network that would be negotiated by Parties at COP28.

Once the draft conclusions were finalized by the Parties on 13 June 2023, the attention shifted towards selecting the host agency from among the proponents. Parties were not able to agree on a host agency, with some groups of Parties (from both developed and developing countries) preferring the CDB and most other groups of Parties (from both developed and developing countries) preferring the UNDRR/UNOPS consortium.

Despite efforts to achieve compromise, divergent views among Parties on the host agency selection continued and could not be satisfactorily resolved at SB58, to the great disappointment of virtually all Parties.

Due to the failure to select a host agency, the SBSTA and SBI could not adopt the draft substantive conclusions that had already been agreed to by Parties. Instead, the SBSTA and SBI came out with procedural conclusions simply noting that Parties considered the issue and agreed to continue discussing the issue at SB59, with the work already done at SB58 on the draft substantive conclusions then being footnoted and carried forward for further discussion at the next session

of the SBs viz. SB59 later this year. The decision to select such host agency will now have to be taken at SB59 to then be endorsed by COP28/CMA5 in Dubai.

The failure to select a host agency at SB58 means further delay of at least one and half years from SB58 in the operationalization of the SNLD.

Instead of having the UNFCCC secretariat and the selected host agency prepare the memorandum of understanding after SB58 so that it will be ready for endorsement by the COP/CMA at COP28 in December 2023, such work will now have to commence only after COP28 – presumably such work will have to be undertaken in the first half of 2024 to then be submitted to the SBSTA and SBI at their SB60 session for consideration and endorsement to COP29/CMA6 in November/December 2024 for adoption.

Additional start-up activities such as the holding of the first meeting of the Network's Advisory Board, the hiring of the first director of the secretariat, and other activities will also have to be held in abeyance pending the finalization of the memorandum of understanding and its adoption by COP29/CMA6 in late 2024.

In effect, it means that the SNLD secretariat can commence operations only in early 2025 at the earliest.

Bonn climate talks foreshadow difficult negotiations in Dubai later this year

Kathmandu, 20 June (Perna Bomzan) – The tough climate talks in Bonn, Germany, dominated by political fights along North-South lines, clearly foreshadow what is to be expected at the annual climate talks later this year in Dubai, UAE.

The 58th intersessional climate talks of the UNFCCC's Subsidiary Bodies (SB58) closed on 15 June, in Bonn, Germany, with mixed and slow progress on the technical work under the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

The technical negotiations on many issues evidently exposed “political” flashpoints between developing and developed countries, especially, in relation to the underlying principles of “equity” and “common but differentiated responsibilities and respective capabilities (CBDR-RC)” of the UNFCCC and its Paris Agreement (PA), which anchors respective “differentiation” in climate action. These principles were unabashedly rejected by the developed countries across the board during the Bonn talks. (See [Update 10](#)) The other stance of developed countries was in attempts to delink the Convention and the PA, when such efforts were viewed by developing countries as being contrary to Articles 2.1 and 2.2 of the PA.

According to experienced developing country negotiators, by attempting to remove references to the Convention and the fundamental principles of equity and CBDR-RC in the various negotiating texts, developed countries clearly demonstrated their intention of not acknowledging their historical emissions and responsibility under the Convention, and thus, their legal obligations to take the lead on both, the implementation of climate action as well as in the delivery of the means of implementation (finance, technology transfer, capacity building) to developing countries for their actions.

Developing countries during the closing plenary clearly expressed that they are already implementing climate action with their own limited means, coupled with unsustainable debt burden, often hampering pressing developmental needs. Hence, in many negotiating rooms, they clearly articulated that any ambitious climate action being called for at the global level can only be feasible with new, additional, adequate and predictable climate finance, along with technology transfer and capacity building to be provided by developed countries, to achieve just transitions and address the disproportionate effects of climate change. There were clarion calls to developed countries to achieve their own fair share of efforts and not shift the burden to developing countries, in line with the mandates of the Convention and its PA.

The latest buzzword of developed countries which hogged the limelight of the talks was “Article 2.1(c) of the PA”, which resonated across all the substantive issues relating to mitigation, adaptation, loss and damage, the means of implementation and particularly at the global stocktake (GST) negotiations.

[Article 2.1(c) of the PA relates to the making of finance flows consistent with a pathway to low greenhouse gas emissions and climate resilient development. It is the most controversial issue in the climate negotiations between developed and developing countries, with differing interpretations about its meaning and scope. While developed countries view this Article as a stand-alone goal with attempts to shift their financial obligations to the private sector, the multilateral development banks (MDBs) and even some emerging developing countries, developing countries are pushing for its consideration in the entirety of Article 2 encompassing all long-term goals including Article 2.2 which anchors equity and

CBDR-RC and on the understanding that it should be operationalised by Articles 9, 10, 11 which obligates developed countries for delivering on the means of implementation.]

Below are highlights of the negotiations in Bonn on the Global Goal on Adaptation (GGA) and the National Adaptation Plans (NAPs).

Global Goal on Adaptation (GGA)

Negotiations on the GGA framework was fraught with contention with developing countries aiming for draft conclusions with a comprehensive structure of the framework as well as inclusion of targets and/or indicators while the developed countries wanting to keep the structure very “high-level” without any targets and indicators. (See [Update 7](#))

Amid protracted deadlock until the final hours of the closing day on 15 June, developing countries eventually managed to capture and salvage the progress of work achieved in the development of a more comprehensive GGA framework, in Bonn, in the form of an [informal note](#) prepared by Co-facilitators **Mattias Frumerie (Sweden)** and **Janine Felson (Belize)**.

The informal note which attempts to capture the views expressed by Parties to date, states that “the content of the note is not intended to prejudge further work that Parties may want to undertake nor does it in any way prevent Parties from expressing other views that they may have in future”.

This informal note was originally tabled by the co-facilitators on 13 June with an accompanying [draft text](#) containing “3 options” on the way forward based on the divergent views of Parties on the issue. Developing countries led by **Suriname** for the **G77** and **China** had resisted the informal note, given that it had no “formal status” and had preferred instead option 1 with the comprehensive annex (mirrored in the informal note), calling for the annex to be integrated in the draft text since they envisioned it as the draft decision text on the GGA framework.

On the other hand, developed countries led by the **United States (US)**, **Norway**, **Australia**, **Japan**, **Canada**, the **United Kingdom (UK)**, and the **European Union (EU)** strongly objected to both option 1 with the annex as well as the mirroring informal note and preferred only a “high-level” structure of the framework and/or a procedural decision to come out of the Bonn negotiations, best reflected by option 2 and option

3 of the draft text. They lamented that option 1 with the annex pushed by developing countries did not represent a “balance” of views of Parties.

It is to be noted that the annex (as well as the mirrored informal note) also contain language on the CBDR-RC principle, historical responsibility and means of implementation, a strong underpinning of the GGA framework called by developing countries. On the other hand, contentious issues such as “enabling conditions” and adaptation “policy” cycle pushed by developed countries are also captured in it.

Following lengthy deadlock on the “3 options”, as a last ditch attempt towards showing “utmost flexibility” to capture the progress of work and to move forward on a substantive draft conclusions, the **G77** and **China** had offered a “bridging proposal” on the night of 14 June, by showing willingness to “engage” on option 3 but with additional elements and amendments as a “package”, specifically, that the informal note is considered “as a basis for further negotiations” in the development of the framework; adding an option for “possible targets” as an element of the framework as well as the option of no section on possible targets to reflect balance; and inviting submissions on the content of the possible elements of the framework.

However, despite the “compromise” offered to work on option 3 and with no reciprocity of flexibility by developed countries, the deadlock spilled over to the closing day of 15 June which saw the SBI Chair **Nabeel Munir (Pakistan)** urging Parties to move forward on such an important agenda item underlining further that either a “Rule 16” of the Rules of Procedure (which meant a non-reflection of the discussions in any note in the absence of consensus) or “procedural conclusions” is “not an option”. **Cuba** speaking as the **G77/China** Chair also expressed similar sentiments pointing out that the Group has “lowered our expectations to the minimum possible” and that whatever option, be it as an informal note, is to “capture the work done here in whatever shape” in order to constructively work together to reach the mandate of adopting the framework at COP 28.

Co-facilitator **Frumerie (Sweden)** then proposed to put forward their draft text based on in-session views as well as during bilateral consultations with all negotiating groups on the way forward. The [draft conclusions](#) tabled as co-facilitators proposal came as more of a “take-it-or-leave-it” text triggering last minute coordination

of both developing and developed countries to arrive at a consensus. **Suriname** for the **G77/China** “in the spirit of compromise” pointed out the Group would like to ensure a “direct link” to the informal note which was supported by all the sub-groups. Following assurances of direct weblinks to both the in-session submissions and the informal note, the draft conclusions was finally agreed to by Parties.

Paragraph 6 of the adopted conclusion reads, “*The SBSTA and the SBI took note of the views presented by Parties during the 58th sessions of the subsidiary bodies, [footnote 3] which can be considered during the remainder of the work programme and in the development of the framework....., including to serve as input to discussions during the seventh and eighth workshops, recognizing that these views do not capture all those of Parties and do not represent consensus.*”

(Footnote 3 reads, “*The in-session submissions are available at <https://unfccc.int/event/sbsta-58?item=5> alongside the informal note prepared by the co-facilitators for this agenda item, available at <https://unfccc.int/documents/629890>, the content of which is not intended to prejudge further work that Parties may wish to undertake, nor does it in any way prevent Parties from expressing other views that they may have in the future.*”.)

The translation of the informal note into a possible structure of the GGA framework with its substantive elements including targets as a possible draft decision text will be the litmus test for a successful adoption of a comprehensive GGA framework at COP28.

National Adaptation Plans (NAPs)

The inclusion of the NAPs in the SBI provisional agenda transpired with the proposal submitted by **Cuba** on behalf of the **G77** and **China** requesting that the “NAPs agenda item under the SBI can consider information on the progress of the implementation of national adaptation plans and discuss information from the AC (Adaptation Committee) and LEG (Least Developed Countries Expert Group), including on gaps and needs, and to take further action, as appropriate.”

(The NAP process, established in 2010, enables countries to identify medium and long-term adaptation needs and in developing and implementing strategies and programmes to

address those needs. For developing countries, a key challenge has been the issue of finance for the implementation of those plans.)

While developed countries wanted more clarity on what the **G77/China** wanted to discuss prior to its inclusion on the agenda, eventually consensus was reached for its inclusion, and during the informal consultations, the mandate was expanded to also include discussions on the “formulation” of the NAPs besides its implementation, at the behest of **Switzerland** for the **Environmental and Integrity Group (EIG)** and supported by other developed countries.

A day before the scheduled closing of the SBs, on the evening of 14 June, procedural draft conclusions proposed by the Co-facilitators **Antwi Boasiko (Ghana)** and **Jens Fugl (Denmark)** was agreed to after drawn-out deliberations on whether consideration of further work should be “informed by” or “on the basis of” of the “draft text elements” referenced in the adopted draft conclusions. **Norway** supported by the **EU**, **Australia**, the **US**, and the **UK** supported the former which was seen to dilute the consideration the draft text elements while developing countries led by **Ghana** for the **G77/China** and all its sub-groups pushed for the latter arguing that “on the basis of” is a “standard agreed language” in such situations. Following heavily disputed negotiations, the language “including on the basis of” proposed by the Co-facilitators was agreed to.

The draft text elements are entirely in ‘brackets’ (denoting absence of consensus), given its content which includes some key sticky issues including whether the NAPs agenda item should be continued or be closed. The **EU** explicitly expressed its interest in closing the NAP agenda item and requested to bracket “paragraph 11” which speaks of the “iterative and continuous nature” of the NAP process as well as “paragraph 13bis” proposed by **Ghana** on behalf of the **G77/China** which points to the continuation of consideration on the NAP process for the next five years.

The other sticky issue is in relation to the scaling up of support on “finance, technology and capacity building” contained in “paragraph 2bis” which was proposed by **G77/China**, but heavily opposed especially by the **US**, who further introduced an alternative “paragraph 2bis alt” as a bridging proposal removing the references to the means of implementation. Likewise, the **US** strongly rejected references to predictable, adequate and scaled-up support to developing countries in “paragraph 9”, as well as references

to “from developed country Parties according to their commitments and previous decisions, including doubling adaptation finance” in the same paragraph, which are now in brackets.

The other issue vehemently opposed by the **US** is the insertion of “paragraph 9bis” by **Argentina**, speaking for itself, **Brazil and Uruguay (ABU)** that reads, “*(The SBI requested the GCF [Green Climate Fund] to support the update and implementation of the NAPs.)*” which is a long-standing issue of developing countries. The US however countered that the GCF is already updating and implementing NAPs and such guidance to the GCF is not appropriate in “this room”.

“Paragraph 3 alt” proposed by the **EU** is another potential issue of contention which reads, “*(The SBI noted the important role of NAPs as a means of identifying medium- and long-term adaptation needs and developing and implementing strategies to address those needs.)*” which was opposed by **China** for the **Like-Minded Developing Countries (LMDC)** as being “ambiguous” given the timeline and different national circumstances and priorities of developing countries, and also drew attention to “immediate” adaptation needs. **Panama** for the **Independent Alliance of Latin America and Caribbean (AILAC)** echoed China which was further supported by **Kuwait** for the **Arab Group**.

At COP28, negotiations on the bracketed draft elements text will prove a daunting challenge.

Tough negotiations over just transitions, response measures and global stocktake

Kuala Lumpur and Kathmandu, 21 June (Hilary Kung and Perna Bomzan) – Negotiations were tough between developed and developing countries at the recently concluded Bonn climate talks, which took place from 5-15 June, as regards the work programme on Just Transition Pathways, Response Measures and the Global Stocktake (GST).

The work programme on “Just Transition Pathways” and “The Forum on the Impacts of the Implementation of Response Measures” were among the outstanding agenda items that required continued consultations until the final hours before the start of the closing plenary of the 58th session of the UNFCCC’s Subsidiary Bodies (SB58), late evening of 15 June. The contact group on the GST saw intense wrangling for several hours over the structure and elements of the decision to be drafted on the outcome, which was in “brackets”, reflecting contention and for further work in Dubai, UAE later this year.

The linkage between the Just Transition work programme and Response Measures was mentioned by many Parties during the initial phase of the informal consultations, with the developed countries calling for having the UNFCCC’s Katowice Committee of Experts (KCI) serve as the expert body. This was opposed by the developing countries, led by **G77** and **China**, for the reason that KCI has a distinct mandate and limited scope.

(The KCI on the Impacts of the Implementation of Response Measures was established in Katowice, Poland, in December 2018 to support the work programme of the forum on the impact of the implementation of response measures. Response measures, arising from the implementation of mitigation policies, programmes and actions, could have both positive and negative impacts, especially cross-border environmental, social and economic impacts. The agreed KCI’s

workplan for 2020-2025 includes activities that refer to the just transition of the work force and creation of decent work and quality jobs, as well as economic diversification and transformation.)

As it unfolded, the Just Transitions work programme ended with conclusions adopted together with an informal note produced by the co-facilitators (capturing what was discussed) despite clear divide between the developed and developing countries. The Response Measures track however, was unable to reach a consensus and ended up with only procedural decisions at SB58.

Below are the key highlights and outcomes for the agenda items on Just Transition Pathways, Response Measures and the GST.

Work Programme on Just Transition Pathways

Parties agreed to continue to work on this matter at COP28 amidst stark differences on how they envisioned the work programme on Just Transition Pathways.

Following the exchange of views during the initial stage of the informal consultations in Bonn, the final version of the informal note of the co-facilitators captured most, if not all, the views expressed by Parties, including the contrasting views on some of the aspects. The entire informal note is bracketed, denoting a lack of consensus, and contrasting views were captured using a forward slash (/) symbol.

(The initial stage of the informal consultations invited Parties to share views and expectations on the objectives, scope, institutional arrangements, modalities, linkages, inputs and outputs and outcomes of the work programme. Please see [TWN Update 4 and 6](#)). The informal consultations were co-facilitated by **Selam Kidane Abebe (Zambia)** and the new Co-facilitator **Luisa**

Rölke (Germany) who replaced Marianne Karlsen (Norway) since 12 June.

Meanwhile, there was a change in the title of the work programme to “Work programme on just transition pathways referred to in the relevant paragraphs of decision 1/CMA.4”. The amendment of the title, while has been agreed upon by Parties as read out by Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA) **Harry Vreuls (Netherlands)** and Chair of the Subsidiary Body on Implementation (SBI) **Nabeel Munir (Pakistan)** during the third meeting of in plenary of the SBs. Sources informed that this was a request from the **United States (US)** as it did not want the mention of paragraphs 50 and 51, but only want paragraph 52 of Decision 1/CMA.4

(The relevant paragraphs from the decision 1/CMA. 4 decision read as follows: “50. Affirms that sustainable and just solutions to the climate crisis must be founded on meaningful and effective social dialogue and participation of all stakeholders and notes that the global transition to low emissions provides opportunities and challenges for sustainable economic development and poverty eradication;

51. Emphasizes that just and equitable transition encompasses pathways that include energy, socioeconomic, workforce and other dimensions, all of which must be based on nationally defined development priorities and include social protection so as to mitigate potential impacts associated with the transition, and highlights the important role of the instruments related to social solidarity and protection in mitigating the impacts of applied measures;

52. Decides to establish a work programme on just transition for discussion of pathways to achieving the goals of the Paris Agreement outlined in Article 2.1, in the context of Article 2.2, and requests the SBI and the SBSTA to recommend a draft decision on this matter for consideration and adoption by the CMA5, with the work programme to be implemented in a manner that builds on and complements the relevant workstreams under the Convention and the Paris Agreement, including the work programme for urgently scaling up mitigation ambition and implementation.)

The **African Group** suggested a new formulation (which is the adopted title), which was met with agreement in the Heads of Delegations (HODs) consultation meeting.

Difficulties to conclude the work programme ensued from the stark differences on how the developed and developing countries envisioned the

work programme when reacting to the second draft of the informal note prepared by the co-facilitators.

First, developing countries expected a comprehensive or broad approach while the developed countries preferred it to be narrower, focusing on the just transition pathways for the workforce and primarily on energy transition.

The developing countries, led by **G77** and **China**, stressed that just transition pathways are broader than the workforce transition, adding further that “As with any new work programme, it is important to frame discussions clearly based on mandates and the context of sustainable development, the right to development and of undertaking climate and just transitions action in the context of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC), and in light of national circumstances.”

However, the developed countries led by the **US** and supported by the **United Kingdom (UK)**, **Australia**, the **European Union (EU)**, **Japan**, **Norway** and **Canada** delivered strong remarks against the proposal of developing countries in the second version of the informal note of 12 June, in which the **US** said that “(The) US will not accept any conclusion that would consist of the scope and objective that are not aligned with the preambular text of the Paris Agreement (PA) on just transition of the workforce....We have very much disagreed with the scope and objective in the informal note.”

(The preambular text of the PA reads as: “Taking into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities.”)

Further, the **US** said it did not agree with adding CBDR which is from the Convention and argued that the work programme is under the PA and not the Convention. This was echoed by the **UK, Australia, EU, Japan, Norway** and **Canada**. This was the second attempt by developed countries to remove CBDR from the work programme. Earlier, on 9 June, the **US** said there was no need to mention CBDR explicitly, “given all of the proposals are naturally in line with the principle of CBDR and inherently of climate justice” under the guise of streamlining the text. The **EU** made similar remarks.

In response, **China** said it is very important to recall the provisions of the Convention “because we are implementing the PA but we must remember that PA is the implementation of UNFCCC”. **India** said it was a disturbing trend to hear in all rooms

on the calls by developed countries to delete references to the Convention and noted the low trust in the process. The other developing country groups including **Saudi Arabia** for the **Arab Group**, **Ethiopia** for the **Least Developed Countries (LDCs)**, **Brazil** for **Argentina, Brazil and Uruguay (ABU)** also echoed the call by G77 and China on the importance of the CBDR-RC principle.

In particular, **Kenya**, on behalf of the **African Group** said that while the just transition pathways should be nationally determined, what Parties need to discuss here is how the multilateral process can support the nationally determined just transition pathways and that is why equity and CBDR are essential for the work programme.

The developing countries, led by **South Africa**, speaking for the **G77** and **China** stressed that given that this is a multilateral process, the work programme should have a global dimension, in which the developed countries must take the lead in demonstrating such transitions within their jurisdictions as per Article 4.4 and support developing countries by providing means of implementation in accordance to Article 9 of the PA. The **US** disagreed with this and also said that it is not a debate on the financial mechanism and on the means of implementation.

These contrasting views were reflected in the informal note which reads “*Recognize that just transition pathways have a global dimension, wherein developed countries must take the lead in demonstrating such transitions within their jurisdictions in accordance with Article 4.4 of the PA and help to mobilize financing for achieving such pathways in developing countries and scaled-up public grants for Parties that are particularly vulnerable, in particular the least developed countries, in accordance with Article 9, paragraphs 1, 3 and 5 / without Article 9, paragraphs 1, 3 and 5 of the PA.* (The slash reveals the differing views).

On the objective of the work programme, developed countries, by and large, suggested that it is about unlocking mitigation ambition and enabling national climate actions towards net zero emissions, which was strongly opposed by the developing countries.

The **G77** and **China**, in response, said that, “There is no justification for stand-alone references to net-zero that are not based on agreed text...,” adding further that the informal note remains mitigation-centric. The group called for a balance between mitigation and adaptation and to ensure interlinkage with the means of implementation.

In terms of financing for just transition pathways, developed countries, especially the **US**, **UK** and **Japan** referred to Article 2.1(c) of the PA, (which is about making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development), including from the private sector which is likely in the form of loans and often comes with conditionalities in the name of “enabling environment”. These were reflected in the second version of the informal note, as follows:

- “*Assess macroeconomic frameworks to ensure that there is a fiscal space for a just transition and to incentivize structural transformation;*”
- *Investment and economic policy frameworks for facilitating investment into just transition pathways;*
- *Existing national investments and financing, including fossil fuel subsidies, and their alignment with Article 2.1(c) of the PA.”*

When reacting to the above, **South Africa** for the **G77** and **China** called out that the scope of finance was narrowed and distorted to only selective interpretations of Article 2.1(c) and requested “to see more acknowledgement of the wider finance ecosystem, including Article 9, and in particular sub-articles 9.1. 9.3 and 9.5, and not approaches that would appear to establish new conditionality on support for just transition pathways”. This was also echoed by **Saudi Arabia** on behalf of **Arab Group**, **India**, and **Türkiye**.

India expressed that it was very surprised to see such wordings (referring to the first bullet point above) and asserted that the work programme be non-prescriptive, non-punitive, facilitative and respectful of national sovereignty and national circumstances. **Türkiye** pointed out that there is no common understanding of Article 2.1(c) yet and **Saudi Arabia** on behalf of **Arab Group** said not to prejudge the ongoing discussions (referring to the two upcoming workshops this year for Parties to exchange views and enhance understanding of the scope of Article 2.1(c).

The final version of the informal note saw both views reflected but no explicit reference to Article 2.1(c), where the relevant text reads as, “*Promote the alignment of existing domestic financial flows, while ensuring there is a fiscal space to incentivize structural transformation / No reference to fiscal space and structural transformation.*”

The developed countries envisioned the work programme to be of a shorter timeframe, between one to two years, or at most three years and with no annual decision. The **G77** and **China** expected the work programme to continue up to 2027 to feed into the second global stocktake with annual decisions. On the institutional arrangement, the **G77** and **China** proposed to establish a joint contact group under the Subsidiary Bodies, as opposed to having the KCI serve as an expert body given its distinct mandate and limited scope.

Most of the views of developed and developing countries were captured in the third version of the informal note, with the decision adopted at SB58 that “*SBSTA and SBI agreed to continue work on this matter at SB59 (November – December 2023), informed by the informal note...*”

During the final hours of the negotiations on 15 June, the most contentious issue turned out to be the modality of the work programme, on two aspects: (1) whether or not to have a workshop and if yes, the timing of the workshop (whether pre-sessional, inter-sessional or in-session during COP28) and (2) whether there is a need for the secretariat to prepare a technical paper for the SB59 at COP28.

By and large, the developed countries saw the budgetary implications of these modalities as a huge concern. The **EU** even suggested no workshop at all, while others like **New Zealand**, **Norway**, **Japan**, the **US** and the **UK** were more flexible in accepting the bridging proposal by the **G77** and **China** to have a workshop to be held before SB59 (November-December 2023). The **G77** and **China**, in return, agreed to compromise by not having the secretariat prepare a technical paper ahead of COP28.

The adopted decision text reads as: “*The SBSTA and the SBI also requested the secretariat to organize, under the guidance of their Chairs, a workshop to be held before SB59 (November-December 2023) on the work programme referred to in paragraph 1 above to inform further work thereunder, based on the submissions and the synthesis report referred to in paragraph 3 above, ensuring broad participation of Parties and observers. The SBSTA and the SBI further requested the secretariat to prepare, under the guidance of their Chairs, a summary report on the workshop.*”

There was also a call for submission for Parties and observers to submit views on different elements of the work programme by 15 September

2023. The secretariat will then prepare a synthesis report, but only on Parties’ submissions, to inform further discussions during the workshop which is to be held before SB59.

Response measures

The forum on the impacts of the implementation of response measures adopted only procedural conclusions at SB58, when Parties were mandated to finalise the mid-term review of the six-year workplan (2020-2025) of the forum and its KCI, as well as initiate the process of conducting a review of the functions, work programme and modalities of the forum.

During the initial informal consultations, developed countries such as the **UK**, **US** and **Japan** called to conclude the mid-term review of the workplan and move on with the review of its functions, work programme and modalities, while developing countries led by **Saudi Arabia** for the **G77** and **China**, asked for more time to deliberate on the mid-term review.

In the context of the review of the workplan, the **G77** and **China** had proposed a new activity – “enhance capacity and understanding of Parties, on the assessment and analysis of the impacts of implementation of climate change related unilateral cross-border carbon pricing measures, explore ways to reduce the negative impacts to parties especially developing countries” – in the face of unilateral carbon border taxes, such as the **EU**’s carbon border adjustment mechanism (CBAM) which has been a contentious subject of discussions since the beginning of the workplan in 2020. (See TWN Update)

While developing countries have been persistently raising this crucial issue that negatively affects their climate action, the developed countries led by the **US** have maintained that the World Trade Organization (WTO) is the appropriate forum to address the issue.

The **EU**’s CBAM levied on so-called carbon intensive imports from developing countries, is reported to go into effect in October 2023. The issue arose in the negotiations yet again, with the **UK** and the **EU** arguing that the CBAM is a WTO issue and the **US** reiterating its “redline” on the matter, supported by **Japan** and **Norway**. The **G77/China** proposal which was listed as “activities 6 and 7” in the initial texts of the workplan appeared in “brackets” denoting a lack of consensus.

In response to the stiff opposition on the issue, on 10 June, the informal consultations saw

Argentina for **ABU**, delivering a strong statement that the proposed activities “do not in any way contradict or overlap with the mandate of the WTO. The WTO’s mandate refers to regulations regarding trade and commerce, and commercial law, but here we are dealing with climate change. Now, although these are connected, the mandates of the UNFCCC and its PA are clear, regarding climate action and the need to address its socio-economic impacts, while respecting CBDR-RC, and the special circumstances of developing country Parties.” It also highlighted, Articles 3.3, 3.5, 4.1, 4.2(a) of the Convention as well as Article 4.15 of the PA in support of this proposition.

(In particular, Article 3.5 of the Convention reads, “The Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.” Article 4.15 of the PA reads, “Parties shall take into consideration in the implementation of this Agreement the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties.”)

Argentina added that “from these references to the provisions of the UNFCCC and its PA, it is clear that there is a mandate and space under the UNFCCC and its PA to consider the effects of all climate actions realized by Parties to achieve the long-term goal of the Convention, whether they have domestic or cross border effects or whether they are unilateral or international. The fact that the issues of climate change or the environment are also treated under many other international organizations like the WTO, FAO, UNIDO, IMO, ICAO, among others, does not mean that under the UNFCCC they cannot be addressed, because other international organizations work under different instruments and have different focuses. There generally is, and should be more, dialogue between different international organizations, and under the response measures agenda it is clear that we can provide messages and inputs regarding the need to consider the CBDR-RC principle and equity, while also dealing with our mandate to address the adverse effects of response measures.”

It further conveyed that “for activities 6 and 7 of the workplan, we propose framing them in a

more broad sense, where instead of referring specifically to climate change related unilateral cross-border carbon pricing measures”, we propose: “Enhance the capacity and understanding of the parties on the assessment and analysis of the **cross border impacts of response measures, such as carbon pricing measures**, explore ways to reduce the negative impacts to parties, especially developing countries.” (Emphasis added). This strong intervention by **ABU** was echoed by **Ghana** for the **African Group, Turkey, India and China**.

The other sticky issue in relation to the new proposed activities in the workplan was the initially listed “activity 8: Build awareness about the negative impacts associated with accelerating efforts towards the phasedown of unabated coal power”, which also appeared in “brackets” and was mainly opposed by **India** on the grounds of their “developmental needs”.

Further, on 14 June, **Turkey** suggested a new text which read, “In light of existing workplan and mandate, we suggest that the KCI could prepare a technical report which covers a case study, financial burden, stemmed from implementing counter measures to minimize adverse social and environmental impacts and provides policy recommendation supported by the inputs from relevant international organisations such as WTO and UNCTAD.”

The discussion moved into a deadlock with Parties going into “huddles” to coordinate within groups. Türkiye’s proposal was by and large supported by developing countries especially by **Ghana, Colombia and China** but drew strong rejection from the developed countries. The **US** said it was a “red line” and that it “can try to compromise on other areas” but “cannot move forward if this is in the document”, which was supported by the **UK, Norway and New Zealand**. Türkiye then agreed to a compromise to put the suggested text in the informal notes, which was supported by **Saudi Arabia** in its national capacity.

However, the **UK** sought clarification on which part of the informal notes it would be added, while the **US** opposed to editing the informal notes, which was supported by the **EU**. **Canada**, the **US** and the **UK** suggested discussing procedural conclusions instead when Parties would resume informal consultations scheduled at night.

On 15 June, **Papua New Guinea** counter-proposed a package deal to close the mid-term review with only one outcome in the text, i.e. a pre-sessional one-day workshop and the Turkish proposal to go into the informal notes, which was

supported by **Saudi Arabia** for **G77 and China** as well as **Ghana** for the **African Group**. This proposal was however not agreed to by developed countries.

Given clear divergent views on the proposed new activities of the workplan, and on discussions around the review, the draft texts of 15 June produced by the Co-Chairs **Peter Govindasamy (Singapore)** and **Catherine Goldberg (US)**, capturing progress in the form of informal notes on the workplan and the review, were eventually dropped due to absence of consensus to reflect the document.

With the looming deadline to close negotiations on the agenda item, developing countries eventually agreed to only adopt procedural conclusions and continue consideration on the matter at the next SB59 in Dubai.

Global Stocktake

Discussions were hugely contentious on the “Indicative draft structure for GST CMA5 decision” to be adopted in Dubai later this year. The draft went through several iterations with huge divergences among developing and developed countries on how to reflect finance, with developed countries pushing for an independent section on Article 2.1(c) of the PA in the indicative draft structure.

[Article 2.1(c) is about making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development]

Developing countries wanted a clear reflection of finance to be categorized as means of implementation and support (as is provided for in Decision 19/CMA.1, which decided to organize the technical dialogues to “*organize its work line with taking stock of the implementation of the PA to assess the collective progress towards achieving its purpose and long-term goals, including under Article 2, 1(a-c), in the thematic areas of mitigation, adaptation and means of implementation and support, noting, in this context, that the global stocktake may take into account, as appropriate, efforts related to its work that: (i) Address the social and economic consequences and impacts of response measures; (ii) Avert, minimize and address loss and damage associated with the adverse effects of climate change;*”).

(During earlier discussions, the **G77 and China** had proposed a top-level outline, comprising a preamble; background/context/vision; crosscutting general assessment of collective progress; mitigation; adaptation; means of

implementation; response measures; loss and damage; international cooperation; and way forward. See related update)

However, developed countries were focused on expressing finance largely through Article 2.1(c) and they wanted a standalone section on Article 2.1(c) in the indicative draft structure. Several developing countries said that the chapeau of the indicative draft structure already contained reference to Article 2.1(c) so there was no need for an independent section in the structure; however, developed countries did not budge and were even willing to let the whole draft outline drop rather than removing Article 2.1(c), according to sources. Sources also said that it became clear that for the developed countries, finance is just about Article 2.1(c) of the PA and not about Article 9, which makes it a legal obligation on the developed countries to provide finance support to developing countries.

All the differences in the indicative draft structure were captured in an informal note by the Co-chairs of the contact group, who were **Alison Campbell (UK)** and **Joseph Teo (Singapore)**. The informal note states, “*The indicative draft structure for a CMA5 decision is a work-in-progress. It is offered to facilitate discussion and does not prejudice further work, the final outcome, future GSTs or prevent Parties from expressing their views in the future. Parties expressed divergent views on C.3. These alternative options are reflected in brackets...*”

The options corresponding to the “divergent views” expressed in the informal note are as follows:

“[Alt 1

C.3 Finance flows and means of implementation and support

Alt 2

C.3 Means of implementation and support, including finance flows

Alt.3

C.3 Means of implementation and support

Alt.4

C.3 Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development

C.3bis Means of implementation and support]”

The other components of the indicative draft structure are as follows:

“(A. Preamble

B. Context and cross-cutting considerations

C. Collective progress towards achieving the

purpose and long-term goals of the Paris Agreement, including under Article 2, paragraph 1 (a-c), in the light of equity and the best available science, and informing Parties in updating and enhancing, in a nationally determined manner, action and support

C.1 Mitigation

C.2 Adaptation

C.4 Efforts related to loss and damage

C.5 Efforts related to response measures

D. Enhancing international cooperation for climate action

E. Guidance and way forward)".

In the conclusions adopted, the SBSTA and the SBI "took note of the views exchanged on the indicative draft structure of a decision on the global Stocktake" to be adopted by CMA5 and "agreed

to accelerate their work on the consideration of the output component". An intersessional in-person workshop is to be held in October to develop elements for the consideration of outputs component of the first GST, "which will inform the work of the joint contact group on the GST".

Parties and non-Party stakeholders have been invited to submit their views on the elements for the consideration of outputs component by 15 September 2023 taking into account the informal note emerging from the Bonn session. The secretariat also has been requested to prepare a synthesis report on the submissions.

Given the intense wrangling in Bonn over these matters, the Dubai annual climate talks to be held later this year will indeed be tumultuous on many fronts. What compromises will be made will be closely watched, as the climate crisis continues to rage on.

IPCC scenarios project highly unequal future between North and South

Kuala Lumpur, 22 June (Hilary Kung) – “All the IPCC (Intergovernmental Panel on Climate Change) scenarios project a highly unequal future world that perpetuates most inequalities”, revealed **Dr. Tejal Kanitkar** from India at a side-event held on 5 June 2023, co-organized by the Third World Network (TWN) and the Plurinational State of Bolivia during the climate talks in Bonn, Germany.

The event was moderated by **Meenakshi Raman**, Head of Programmes of Third World Network, and joined by **Kanitkar**, who presented an equity assessment of global mitigation pathways in the IPCC’s Sixth Assessment Report (AR6), **Vicente Paolo Yu III**, the **G77** and **China coordinator** on the global stocktake (GST) and loss and damage issues, and **Andres Mogro**, an expert on climate finance.

Kanitkar’s research cautioned over the use of IPCC’s global mitigation pathways as the benchmark for negotiations due to the highly unequal future world scenario for the Global South. She said that it is critical to understand how the IPCC scenarios take into account the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC) (reflected in the UNFCCC and the Paris Agreement [PA]) because all the mitigation targets, like “reducing global carbon dioxide emissions by 45% by 2030 relative to the 2010 level” in the Glasgow Climate Pact comes from the IPCC scenarios.

She explained further that before the mitigation target number was accepted in Glasgow, the database was not made available to the public. There was only the IPCC Working Group 1 report published during COP26 in Glasgow. The database of these scenarios was finally released last year, she said, which allowed her and the team to conduct the equity assessment.

According to Kanitkar, the world (referring to the IPCC scenarios) that is projected for 2050 or 2100 is a highly unequal world with enduring levels of poverty across a major part of the Global South, adding further that “This world is achieved by the suppression of incomes and development in the developing regions.”

First, in terms of per capita GDP growth, the model scenario projection perpetuated the high level of inequality between developed and developing regions in a 1.5°C with “no or limited overshoot” world by 2050.

Kanitkar said, “Sub-Saharan Africa and South Asia bear the brunt of the suppression of income in the 1.5°C scenarios”, and that “the per capita consumption of goods and services are suppressed even further for developing regions and the difference between developed and developing countries is extremely stark.”

“The consumption of goods and services per person in Sub-Saharan Africa is USD1000 in 2020 and is restricted to USD3000 in 2050, while for North America, the per capita consumption of goods and services will grow from USD35000 in 2020 to USD59000 in 2050,” revealed Kanitkar further.

She stressed that “This is not just a projection of inequality but a projection of enduring poverty and deprivation in a developing world for a foreseeable future.”

Second, she pointed out that the scenarios projected a “severe restriction on energy consumption” in developing regions, especially South Asia and Sub-Saharan Africa, as compared to the developed region. (This is referring to the primary energy use which are coal, oil and gas, as well as renewable energy sources such as solar and wind, etc.). She stressed that both South Asia and

Sub-Saharan Africa regions constitute 30% of the world's population.

Further, she said that the “severe restriction on energy consumption” in the Global South will allow for continued higher per capita fossil fuel use in the Global North even until 2050. This is projected for a 1.5°C scenario; even in a 2°C scenario with more carbon budget, it would mean the same where more carbon budget will be taken up by the Global North, said Kanitkar further. In that scenario, the Global South will be left with more climate change impacts and less able to deal with losses and damages.

Elaborating further, she said that this is only possible (referring to the continued higher per capita fossil fuel use in the developed regions) when the continued emissions are to be compensated by high levels of carbon dioxide removals (through afforestation and carbon capture and storage [CCS]) in the developing regions.

In other words, she said, “The high fossil fuel consumption in the rich countries is to be compensated by high level of removals through land-based and CCS in Latin America, Sub-Saharan Africa, South Asia and the rest of Asia. Latin America and Sub-Saharan Africa will reach net zero much earlier than most other regions. In some scenarios, North America and Europe were allowed to reach net zero even beyond 2050,” adding further that, “All the 21 models gave the same results as they are all using the same assumptions and same structures with only minor differences.”

“This will have severe implications for food security,” warned Kanitkar further.

As she explained, “Today, we have an overall long-term global trend where the risk of hunger and food insecurity is reducing but these trends are reversed under these mitigation scenarios, largely due to over-reliance on land-based removals... A huge focus on energy crops results in competition for land and thereby increase food prices. There will be suppression of food demand in Sub-Saharan and South Asia and other regions as well, resulting from these scenarios... While some would suggest that this can be managed through food aid (which will increase dependency on developed countries), or through agriculture subsidies, these are the measures opposed by developing countries in other forums,” said Kanitkar.

As to who produced these scenarios, Kanitkar revealed that, “A large bulk of the scenarios (over 90%) comes from developed countries and these models are based in developed countries.”

On why the Integrated Assessment Models project these unequal outcomes, she explained that “the problem can be attributed to the model assumptions and also the model structure or framework. For example, the structure of the models themselves explicitly disallows an equalization of income across the regions and the assumptions are based on cost minimization where it will be cheaper to achieve mitigation by keeping a large part of the world poor as compared to reducing oil and gas use in the richer countries,” said Kanitkar further.

In summary, Kanitkar's presentation showed that the projected future in 2050 is an unequal world that perpetuates or aggravates the inequalities of today. In particular, the continued use of fossil fuels in developed countries is to be compensated by the carbon sinks in developing countries. She concluded by saying, “There is a weak disclaimer in the IPCC Summary for Policymakers that there are no explicit assumptions of equity, and there is a contravention of equity and CBDR-RC principle.”

Vicente Paolo Yu III, taking off from Kanitkar's presentation said “What Tejal has put forward is at the core of what the G77 has been raising from the beginning in the context of the GST, and equity is the key basis on how we would undertake the collective assessment (of progress in meeting the Paris Agreement's goals),” adding further that equity is reflected in Article 14 of the Paris Agreement and the modality of the GST.

Commenting further, he said that “... Chapter 6 of the IPCC's Working Group 3 report (of AR6) provides the underlying assumptions and many of these assumptions imply a great deal of inequality going forward...the assumptions of technology availability and what kind of technology is needed, including of bioenergy carbon capture and storage (BECCS) which, will have implications on land and agriculture.”

On the GST process, he remarked that “Equity seems to be not very well reflected in the written output of the Technical Expert Dialogue, and the focus has been largely on mitigation.” He added further that the current push in Bonn for a mitigation-oriented agenda item, the discussions around the global goal on adaptation, and the new collective quantified goal (NCQG) on finance will have a role to play on what Parties agree on the GST outcome in Dubai later this year.

He also added that while finance is a key part as an enabler of ambition, the same too goes for technology transfer; however, the Periodic Assessment Report on the Technology Mechanism

shows that technology transfer is not happening. He said, from the developed countries' perspective, technology transfer is about trade; it is about where the new market is. However, he pointed out that Article 4.5 of the Convention stated clearly the obligation of developed countries to promote, facilitate and finance, not just the transfer of technology, but also the transfer of know-how; while the second part of Article 4.5 called for developed countries to support the development and enhancement of endogenous capacities and technologies of developing countries. Since UNFCCC came into force in 1994, 80% of climate technologies are patented in developed countries and two-thirds of the global trade of climate-related technology goods are produced in developed countries, traded among developed countries and innovated in developed countries, said Paolo Yu further.

All in all, he said this tells that technology transfer is not happening. Further, more than 90 developing countries have produced 450 technology-needs assessment reports since 2001 up to present and they have put together more than a thousand technology action plans which listed the technologies that the countries need in order to enhance their climate actions but almost none of these plans are funded, said Paolo Yu further.

Andres Mogro dived deeper into the topic of "climate finance" and explained why we cannot talk about mitigation without climate finance. He started by describing that the "finance track" has moved backward or in the wrong direction and outlined three things that would determine the success of any multilateral process: (1) universal participation, (2) ambition, and (3) enforceability.

He said, the "UNFCCC had universal participation and ambition... but it did not have enforceability and that is why we spent 20 years to get things to be fulfilled. Article 4 of the Convention provides for what everyone has to do and where finance should be coming from in Articles 4.3, 4.5, 4.7, but it lacks enforceability."

As for the Kyoto Protocol, he said, "it had ambition because it provided a top-down approach (in emissions reductions for developed countries instead of what we have in the Paris Agreement now, which is bottom-up) and had enforceability,

but it did not have universal participation because the United States did not come in."

Commenting further on the Paris Agreement, Mogro said, "The Paris Agreement has universal participation and is enforceable but is with no ambition. Everyone is participating and there is a strong political push for everyone to ratify the PA but we have to decide what our commitments are and then we have to report them."

He highlighted that the Article 3 of Paris Agreement requires countries to report on mitigation, adaptation, finance, technology and capacity building in their nationally determined contributions (NDCs) but now what is being talked about in all negotiations is about ambition, support and transparency. "Ambition means more mitigation actions and support means capacity building and perhaps some level of finance for setting up project goals and for monitoring purposes," he elaborated further.

He also spoke about the operating entities of the Financial Mechanism of the UNFCCC and the Paris Agreement, including the Green Climate Funds (GCF), Global Environment Facility (GEF), and the Adaptation Fund (AF), that were set up to help channel finance from developed to developing countries, but the question now is how are these connected to the replenishment of these funds.

"Today, we are talking about donor countries instead of providers, that's why we are moving in the wrong direction," said Mogro.

He also highlighted the importance of quality climate finance, not just quantity. Quality climate finance means avoiding debt and should not cause indebtedness to developing countries. On the Loss and Damage Fund (LDF), he said it will need to be closely watched to make sure it has a stable source with a replenishment process (predictable sources of funding) and capacity to respond in appropriate time to losses and damages in a practical way.

*You may access the recording of the side event [here](#).

* Dr. Tejal Kanitkar's Equity assessment of Global Mitigation Pathways in the IPCC Sixth Assessment Report is [here](#) or the briefing paper is [here](#).