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Developed countries hinder progress on adaptation

Kuala Lumpur, 8 July (Eqram Mustaqeem) - It was a particularly tough and challenging session for the adaptation agendas at the UNFCCC 62nd sessions of the Subsidiary Bodies (SB62) that began on 16 June and ended on 26 June at around midnight in Bonn, Germany.

This was especially the case for the agenda items on national adaptation plans (NAP) and the global goal on adaptation (GGA). The NAP agenda which has not been able to result in a decision since COP27 (in 2022), Parties again failed to make substantial progress with negotiations, only ending with procedural conclusions, due developed countries who as usual stalled over the issue of means of implementation (MOI).

Parties however, largely owing to the efforts and compromise of developing countries, managed to scrape to a conclusion on the GGA. It was a long-winded journey for the GGA, which saw talks going into closed rooms with heads of delegations (HODs) late into the final day of SB62, to end the stalemate between developed and developing countries mainly over having indicators on MOI under the goal to measure achievements in its implementation. (See details below).

The main reason why a decision was needed on the GGA agenda item at SB62 is due to the fact that the UAE-Belem Work Programme (UBWP) on developing the indicators measuring progress towards the 7 thematic goals and 4 dimensional goals would need to be concluded at COP30 in Belem. Hence, Parties needed to reach agreement on the guidance to be provided to technical experts developing these indicators, as they seek to finalise the final list of 100 indicators before handing them over to the Parties for political deliberations and finalisation at COP30.

It is important to note that there are 4 items under discussion in the GGA – (i) the indicators work under the UBWP; (ii) the Baku Adaptation Roadmap (BAR) that aims in advancing progress on adaptation as per Article 7.1 of the Paris Agreement (PA) and supporting the implementation of the elements outlined in para 38 of decision 2/CMA.5; (iii) deliberations on 'transformational adaptation' (TA); and (iv) and as agreed during the first week of the Bonn session, draft elements of the GGA decision to be adopted at COP30.

However, due to the more urgent nature of the UBWP work on indicators, Parties decided to focus attention on the work on indicators at SB62, whilst continuing deliberations on the other matters later at COP30.



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The chronology and evolution of the GGA here at SB62 can be viewed through draft texts <u>version 1</u>, <u>version 2</u>, <u>version 3</u> and the <u>final draft conclusions</u> along with the <u>informal note</u>. (The informal note is the exact same text as version 3 of the GGA draft text but only incorporating paras 21 - 45). Whilst for the NAP, there was only <u>one version of draft text</u>. [See details below].

Global Goal on Adaptation

The GGA discussions were co-facilitated by **Tina Kobilšek (Slovenia)** and **Zita Wilks (Gabon)** and at the outset of the second week of negotiations on the GGA, clear lines of contention were drawn between developing and developed countries that could not be resolved until the final hours of SB62. The first contention was on the guidance that would be given to the experts in the process of refining the indicators, particularly on MOI, and second, was the status of the text that captured discussions on the BAR, transformational adaptation and the draft elements of the GGA decision for COP30.

Developed countries ironically, despite being the first to propose and agree upon discussions on the draft elements of the GGA decision text, did a total U-turn in the second week, and were in favour of having the text removed entirely, by choosing the option with 'no text'. The reasoning given behind such removal was due to the lack of time, as engaging on the guidance on indicators should be the priority (which, they did not do much on, as they claimed that that they were against giving more detailed guidance to the experts as to them, it would constitute micromanaging). It was clear that their determination was to have the draft elements removed due to text (referring to "a new adaptation finance goal" in paragraph 45(g) option 2 of the informal note which reads as follows;

Draft elements of decision text:

*"*45.

Option 1: no text

Option 2: The SBSTA and the SBI initiated discussions on the following possible elements for a draft decision for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its seventh session (November 2025):

(g) Other provisions: Option 1: No text

Option 2:

Provisions related to the adjustment of monitoring, evaluation and learning (MEL) systems, and identification of capacity-building needs;

References to the role of national adaptation plans (NAPs); engagement of relevant stakeholders; outcomes of the Baku high-level dialogue; **proposal for a new adaptation finance goal to succeed the Glasgow pledge**; and a review mechanism with a timeline for future work." (Highlights in bold for emphasis).

(In Glasgow in 2021, developed countries were urged "to at least double their collective provision of climate finance for adaptation to developing country Parties from 2019 levels by 2025...").

Developed countries revealed their refusal to discuss anything related to finance throughout all the adaptation agenda items, and opening discussions on having a new adaptation finance goal to succeed the Glasgow pledge was definitely a red line for them. The explicit reason given by developed countries such as **New Zealand** behind the rejection of paragraph 45(g) in option 2 was "to not renegotiate the new collective quantified goal on climate finance (NCQG)" [that was reached in Baku last year]".

However, by opting for the 'no text' option para in the draft elements of the decision text, Parties would have to start afresh on the same matter at COP30, which will be a mountain to climb, as they would need to finalise the list of indicators and continue deliberations on other aspects on transformational adaptation and the BAR at the same time.

After countless hours in consultations, the developed countries were of the opinion that everything not related to the indicators, that is the BAR, transformational adaptation and draft elements of the GGA decision text should only be considered as an informal note.

Saudi Arabia on behalf of the **Arab Group** inquired on the reasoning behind such requests, to which developed countries, the **European Union**

(EU) and Australia in particular opined that Parties have not had the time to go through the substance of para 21 - 45 (the paragraphs on the BAR, transformational adaptation and the draft elements).

On the contrary **Sri Lanka** on behalf of the **G77 and China** made clear that developing countries wanted it to be treated as a draft text and **Kenya** emphasised further that it has to be a draft text as all Parties had spent a lot of time working on it.

A summary of what is an informal note and a draft text along with their significance can be found below: (Informal note: A type of document that aims to support the negotiation process. Oftentimes, the co-facilitators of negotiations on a given agenda item will prepare an informal note under their own authority to capture progress in the negotiations. It has no formal status and does not represent agreed text, consensus, or official positions. Informal notes are not binding and are not intended to prejudge the outcome of negotiations. Draft text: A draft text is a more formal document that presents the actual language under negotiation. It is intended to serve as the basis for reaching agreement and, eventually, for adoption as a decision. While still subject to negotiation and revision, a draft text carries greater weight than an informal note. It is the main document Parties work on to finalize a decision.)

Hence, by making the text an informal note, developed countries can just request at COP30 later for it to be dropped as there is no requirement for Parties to use that document as a basis of negotiations, which will make discussions in SB62 futile. By having it as a draft text, Parties will have to engage as the document serves as a basis of negotiations; that is why developing countries insist on having it so.

At the end the compromise that was reached was to compile the paras as an informal note instead of a draft text with the full wording in the informal note reading as follows:-

"This informal note has been prepared by the cofacilitators under their own responsibility and has no formal status. It is an attempt by the cofacilitators to capture the discussions under these agenda items at the 62^{nd} sessions of the subsidiary bodies. This informal note does not prejudge the

draft decision, which will be prepared at SB 63 and forwarded for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the PA at its seventh session [CMA7], neither does it prejudge further work or prevent Parties from expressing their views at any time. It does not represent agreement among Parties."

The unwillingness of developed countries was particularly clear in relation to guidance to the experts, language on the MOI indicators. Developed countries were firmly opposed to any references that would differentiate responsibilities between developed and developing countries. They effectively rejected any MOI language that underscored their obligation to provide support to developing country Parties.

The point of contention on the MOI language was on paragraph 15(h) of draft text version 3, where developing countries wanted option 1 whilst their counterparts insisted for option 2. The text was as follows:

"15. The SBSTA and the SBI requested their Chairs to invite the experts, in reducing and refining the indicators, to take into account the following additional guidance, as appropriate:

(h)

Option 1:

- (i) Indicators relating to official development assistance and national budgets are to be removed;
- (ii) Indicators for means of implementation are to be included that are aligned with Articles 9, 10, 11 and 13 of the PA, recognizing the needs of developing countries, measuring access to and quality of finance, and showing progress in ensuring the adequacy of support for adaptation, the direction of the support and how the support is closing the adaptation gap;

[Article 9 refers to 'finance' in the PA, while Article 10 refers to 'technology', Article 11 on 'capacity building' and Article 13 on the 'enhanced transparency framework'.]

Option 2:

(i) Indicators for enabling factors for the implementation of adaptation action, including means of implementation are to be included;

(i)Alt 1 Indicators for enabling factors of the implementation of adaptation action, including means of implementation, policy, guidance, incentives, regulations, enabling conditions as well as all indicators that consider all sources of finance;

(i)Alt 2 Indicators for enabling factors for the implementation of adaptation action, including means of implementation, political commitment and follow-through, institutional frameworks, policies and instruments with clear goals and priorities, enhanced knowledge of impacts and solutions, mobilization of and access to adequate financial resources, monitoring and evaluation, and inclusive governance."

As SB62 came to a close, the co-facilitators suggested that Parties group up and find a way to find a compromise on the MOI language. After discussions, **Sri Lanka** for the **G77 and China** proposed a compromise proposal as follows: "...suggests experts to consider language on enabling factors of means of implementation" as the third point under option 1 as a compromise.

Australia in direct reply stated that such a proposal would "not even be close to acceptable," and instead called for consultations to be closed as soon as possible so that the matter can be taken to the SB chairs for further guidance. Similar blatant rejections for a compromise were also shared by other developed countries including the **EU**, **Japan** and **New Zealand**, as they could not accept any language that emphasises on their responsibilities to provide such MOI as developed countries.

Saudi Arabia on behalf of the Arab Group called for a willingness from the developed countries to engage and find ways to come to a compromise instead of just rejecting proposals coming from developing countries. China on behalf of the Likeminded developing countries (LMDC), expressed similar frustration and disappointment to the developed countries on their refusal to meet in the middle and questioned their blatant refusal to accept the MOI language in option 1, as it quotes directly from the PA since all Parties here have adopted it and hence should be bound by it.

The Arab Group once again came in to express serious concerns with the process, while the G77 and China and Groupo Sur (Argentina, Brazil,

Paraquay and Uruguay) came with two different bridging proposals, with all the other developing country groups also trying to compromise, whilst the developed countries stuck to their starting position.

Panama on behalf of the Independent Alliance of Latin American and Caribbean States (AILAC) requested it to be on record that if the matter goes to the SB chairs, AILAC rejects any decision that does not include MOI as part of the guidance and stressed that developing countries have been trying to bring proposals but there has not been the same willingness to do that by some Parties in the room.

The co-facilitators then suggested that Parties allow them 15 minutes to develop a bridging proposal that might work for both sides. While developing countries indicated their support for this suggestion, the **EU** opposed it and instead called for consultations to be concluded and asked the matter to be referred to the SB chairs, effectively reiterating its previous position, once again without compromise.

Panama on behalf of **AILAC**, urged developed countries to give the co-facilitators the opportunity to prepare a bridging proposal. However, this call was countered by **Japan**, **Norway**, **Canada**, and the **United Kingdom (UK)**, who reiterated their preference to end the consultations and refer the matter to the SB chairs.

As a result of the continued opposition from developed countries against pursuing a bridging proposal, the co-facilitators were left with no choice but to adjourn the meeting and seek further guidance from the SB chairs.

Soon after the end of the GGA informal consultations, the SB chairs called for a HOD meeting on the GGA (which was closed to observers), a final agreed conclusion text was arrived at. According to sources, developed countries again did not want references to overseas development assistance (ODA) to be dropped as what is provided in option 1, while developing countries wanted that removed. Developed countries then proposed bridging language as follows:

"Indicators for MOI and other factors that enable the implementation of adaptation action are to be included and those that are not relevant to the PA are to be removed.

Indicators for MOI **to consider** (i) access; (ii) quality; and (iii) provision of adaptation finance under the PA to help parties address needs and gaps in implementing the global goal on adaptation." (Highlights added for emphasis).

For comparison, the conclusion text on MOI language under para 15 was as follows:

"15. The SBSTA and the SBI requested their Chairs to invite the experts, in reducing and refining the indicators, to take into account the following additional guidance, as appropriate:

- (h) Indicators for means of implementation and other factors that enable the implementation of adaptation action are to be included, and those that are not relevant to the PA are to be removed;
- (i) Indicators for means of implementation **to measure** (1) access, (2) quality and (3) adaptation finance, including provision, in line with the PA, to help Parties address needs and gaps in implementing the global goal on adaptation." (Highlights added for emphasis).

It was learnt that in relation to indicators for means of implementation, developed countries had pushed for text such as "consider" or "capture", whilst developing countries pushed for "measure" which was reflected in the final conclusion text.

It is also to be noted that in the bridging proposals agreed to finally, the second paragraph of option 1 re para 15(h) of the draft text version 3 on "indicators for means of implementation are to be included that are aligned with Articles 9, 10, 11 and 13 of the PA" had been dropped, reflecting a huge compromise given by developing countries.

At the closing plenary of the SBs on 26 June, after the adoption of the GGA conclusions,

Bolivia for the **LMDC** delivered a strong message and called the attention of civil society, media and Parties at large. To quote "This negotiation has demonstrated the bad faith of developed countries when during the discussions of the adoption of the agendas, they insisted that they are willing to

facilitate the provision of finance through the implementation of Article 9.1 of the PA under all agenda items; however during the adaptation discussions, their lies and hypocrisy were completely revealed; they blocked this decision and tried to postpone meaningful progress in the GGA room. Outside this plenary and in the negotiation process, developed countries appear to be the champions of climate change.... but the reality is, developed countries do not have the political will to provide finance to developing countries, but ...we need to highlight the unity of the G77 and China that has enabled the possibility of a strong position but yet, still had a lot of flexibility and compromise that enabled for meaningful progress for GGA all the way to COP30."

National Adaptation Plan (NAP)

The modus operandi of developed countries blocking progress in adaptation agenda items has never been clearer than in the NAP room. Cofacilitated by **Antwi-Boasiako Amoah (Ghana)** and **Oliver Gales (Australia)**, the two informal consultations on NAP in the second week did not see any substantial progress which saw NAP talks ending in procedural conclusions.

After Parties had finally agreed to work on the Conference Room Paper (CRP) submitted by the **G77 and China** on a para-by-para basis (an approach that had been effectively implemented in the previous consultations), developed countries once again expressed disagreement with this method during the informal consultations on 24 lune.

Led by the **UK** and supported by the **EU** and **Australia**, they instead proposed shifting the mode of work to providing general reflections on the financial and technical support section, starting from para 12 of the CRP. **Australia** justified this change by suggesting that it would serve as a good starting point, arguing that moving directly into drafting would further bloat what they already considered an overly lengthy text.

Despite insistence by **Dominican Republic** for the **G77 and China** and all its subgroups on wanting to work para by para on the CRP document, after a huddle to discuss between all the subgroups, in the spirit of compromise, the group decided to go along

with the mode of work suggested by the developed countries to give general reflections on the financial and technical support section and go straight into para-by-para mode right after.

Australia, beginning the round of general reflections, explained why certain references to MOI in the text were of significant concern. It stated that, in some instances, a form of conditionality appeared to emerge which implied that all progress on NAP implementation by developing countries is entirely dependent on the transfer of MOI by developed countries. Australia expressed concerns that this framing could hinder overall progress, as it suggests that little to no advancement can be made unless MOI is provided.

Saudi Arabia on behalf of the Arab Group, in reply to **Australia** delivered a lecture on the Convention and the PA. It iterated that this was the third year we are in the repeated cycle of going around in the NAP room. Developing countries have been very clear in their request; they have formulated their NAPs but they are not able to implement it and they contributed the the least to climate change and yet they are not provided the support needed through MOI. It said that "finance, technology transfer and capacity building are lacking, yet we hear statements as if we are not part of the same Convention and its PA, Article 4.7 of the Convention states that "The extent to which developing country **Parties** effectively implement will commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties".

Further, Article 9.1 of the PA was then iterated which provides that "Developed country Parties shall provide financial resources to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention". It emphasised

that all of the issues under discussion have to be taken in light of these contexts and Parties cannot be ignorant of it. Saudi Arabia essentially vented the frustrations felt by developing countries on the lack of progress in the NAP room for the past few years.

Progress, however, was not achieved during this session. In fact, the oscillation between positions by developed countries effectively stalled the process, as developing countries were forced to huddle and re-strategise, taking valuable time away from substantive engagement on the NAP discussions. This pattern of flip-flopping by developed countries and the resulting need for developing countries to regroup, has plagued the NAP room for several years, consuming countless hours that could have been dedicated to meaningful discussion and progress.

The NAP discussions ended on 25 June, with the CRP provided by the G77 and China was after agreement by Parties, converted into a draft text. This draft text will be the basis for future work in Belem later this year.

Sri Lanka for the **G77 and China**, emphasized that developing countries came to SB62 with a genuine desire to make progress on the NAP agenda; compromised their positions and put forward constructive proposals. expressed It disappointment at the limited progress made in Bonn, despite the G77 and China's efforts to advance discussions particularly by providing the CRP. The group reiterated the critical importance MOI effective of and support for the implementation of NAP.

The final procedural conclusions agreed to, at the Bonn session reads:

"The Subsidiary Body for Implementation (SBI) agreed to continue consideration of this matter at its sixty-third session (November 2025) on the basis of the draft text available on the UNFCCC website with a view to recommending a draft decision for consideration and adoption by the Conference of Parties at its thirtieth session (November 2025)."