

## Global stocktake outcome adopted over North-South divide

Penang, 26 Dec (Prerna Bomzan and Meena Raman) - The [outcome of the first global stocktake](#) (GST), heralded as a key political outcome from the Dubai climate talks, was swiftly gavelled as part of the [UAE Consensus](#) package, by COP28 President **Dr Sultan Ahmed Al Jaber**, morning of 13 Dec, one day after COP28 was originally scheduled to close.

One of the significant outcomes on global mitigation efforts calls on Parties to contribute to, *inter alia*, “transitioning away from fossil fuels.” This is seen as historic, as it was the first time that such a call has been made in any decision under the UNFCCC or the Paris Agreement (PA), and has been hailed by many quarters, especially developed countries, as a key political success, with much credit given to the UAE COP 28 Presidency. (See further details below in the mitigation section).

While the adoption of the GST outcome decision was met with applause, it slowly transpired into mixed reactions (See [TWN Update 18](#)) with many developing countries expressing reservations about the process taken that led to its adoption, and on the substance of the decision itself. Some developing countries and their groups, in their official statements after the adoption, clarified their interpretation of the decision text especially in relation to the mitigation section, in the context

of the application of the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC), whereby developed countries should take the lead in the efforts, and in the provision of the means of implementation (MOI) to developing countries for their efforts.

Starting from the very first week of the GST talks, the sticky issue of the global mitigation efforts – such as on tripling renewable energy, doubling energy efficiency, phasing out of fossil fuels, phasing out of coal, phasing out of inefficient fossil fuel subsidies - was at the core of the wide North-South rift, far away from any convergence and consensus.

Other contentious issues involved language around the reflection of the principles of equity and CBDR-RC under the UNFCCC and its PA; historical emissions/responsibility of developed countries, the carbon budget/space in relation to the temperature goal, pre-2020 implementation gaps; the means of implementation (MOI) and support; and how Article 2.1(c) of the PA should be interpreted and made operational on making financial flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development; and unilateral trade measures among others. (See [TWN Update 11](#)).

## THE PROCESS LEADING TO THE DECISION

It is to be noted that in the first week, which produced two iterations of the “textual building blocks” by Co-Chairs of the informal consultations on the GST, **Joseph Teo (Singapore)** and **Alison Campbell (United Kingdom)** under “their own authority”, Parties were not able to undertake direct textual negotiations on the decision text, and instead only had a few opportunities to express their views to inform the two iterations of 1 Dec and 5 Dec.

In the second week of the climate talks starting 8 Dec, the evolution of the GST outcome text into further three iterations was essentially shaped by bilateral political consultations at the level of the heads of delegation (HODs) and ministers between the Parties and their negotiating groups and the COP28/CMA5 Presidency (See [TWN Update 14](#)). There were no direct negotiations undertaken by Parties on the GST decision text at the level of the technical negotiators.

The political consultations on the GST outcome during the second week undertaken by the Presidency was initially on the basis of the third iteration of the “refined textual building blocks” of 8 Dec that the former Co-Chairs prepared under the “authority of the CMA President.” This third iteration stated that the “building blocks” – essentially the various sections of the GST outcome that contained textual suggestions for the decision’s content -- “do not constitute agreed text and aim to provide a starting point for work in the second week, including ministerial consultations”.

Sources told TWN that the fourth iteration of 11 Dec produced as a “draft text by the President” was shaped, inter alia, by bilateral ministerial consultations led by **Barbara Creecy (South Africa)** and **Dan Jorgensen (Denmark)** on 9-10 Dec, with their textual proposals for the “context and cross-cutting” and “international cooperation” sections, seeking to identify potential “landing zones”. Further, the Presidency decided to up the ante by conducting bilateral consultations led by the COP President, **Al Jaber** himself, including in having the “*Majlis*” setting conducted on 10 Dec (See [TWN Update 17](#)), with ministers, as well as representatives of negotiating groups. In these consultations, the Presidency started testing out

bilaterally various formulations of text for the different sections of the GST outcome decision.

According to sources, at no time were Parties and their negotiating groups able to engage directly with each other, whether at the technical negotiators’ level or at the level of HODs or ministers, on the Presidency’s textual proposals. The process essentially involved the Presidency consulting bilaterally with Parties and their negotiating groups, verbally outlining (and in some cases physically showing) textual formulations, and then obtaining immediate feedback (either verbally or in written form), for the Presidency’s team to then consider any reformulation of the decision text. Additionally, the entirety of the draft text could not be seen (other than the third and fourth iterations), as the Presidency focused the bilateral consultations on only a few key paragraphs that were seen as highly politically contentious (such as the paragraph on the global mitigation efforts).

With additional day and night negotiations led by the Presidency, marked by ‘shuttle diplomacy’, through 11-12 Dec, creeping into the morning of 13 Dec, the final fifth iteration of the “President’s proposal” was eventually adopted as the outcome decision (referred to as CMA Document L.17).

In a dramatic turn of events, in the early evening of 12 Dec, a ‘leaked text’ started circulating that bore considerable resemblance to the final fifth iteration of 13 Dec text that got adopted; for instance, the language on “*transitioning away from fossil fuels*” was in it. The ‘leaked text’ was widely seen as being the penultimate iteration of the final GST outcome that the Presidency was, in the final hours of shaping.

In the midst of confusion and anxiety as to the status of the ‘leaked text’, the COP 28 Presidency clarified that the leaked text was not the official text and was not circulated by the Presidency. However, no further text was issued, until the appearance of the final decision text for adoption.

Throughout the evolution of the text and especially towards the last hours, divisive North-South issues especially on the principles of equity and CBDR-RC, historical emissions/responsibility and carbon budget, the MOI and support, the global mitigation

efforts and unilateral trade measures, were progressively adjusted to accommodate the views of developed countries while ensuring that these concepts and issues remained in some (watered down) form in the text to assuage developing countries.

The push was also for elevating the temperature goal to limiting temperate rise to “1.5 °C”, away from the PA temperature goal of “well below 2°C”, and linking it to the global mitigation efforts, without explicitly linking such efforts to developed countries taking the lead or for the provision of the MOI from developed to developing countries.

## THE GST DECISION

The GST decision comprises of 196 paragraphs covering 21 pages and is structured as follows:

Preamble

I. Context and cross-cutting considerations;

II. Collective progress towards achieving the purpose and long-term goals of the Paris Agreement, including under Article 2.1(a-c), in the light of equity and best available science, and informing Parties in updating and enhancing, in a nationally determined manner, action and support; (This section covers mitigation, adaptation, MOI and support [finance, technology development and transfer, capacity building], loss and damage, and response measures);

III. International cooperation; and

IV. Guidance and way forward.

(This update provides highlights on all the various elements of the decision, and the eventual landing of the key North-South issues adopted in the final text, which are set out below.)

## PREAMBLE, CONTEXT AND CROSS-CUTTING CONSIDERATIONS

### Historical emissions, carbon budget, unilateral trade measures

References to historical emissions/responsibility and carbon budget/space in the text were eventually dropped from the third iteration of 8 Dec, despite consistent calls for its inclusion by the **Like-Minded Developing Countries (LMDC)** led by **Saudi Arabia, Ghana** for the **African Group, Brazil** for **Argentina, Brazil, Uruguay (ABU)** and

**Brazil, South Africa, India, China (BASIC), Oman** for the **Arab Group, Iraq, India and China**, against the firm opposition from developed countries led by **United States (US), Australia and Canada**.

Sources revealed to TWN that on 10 Dec, the ministerial consultations focused on putting forth textual proposals for potential landing zones in these two crucial issues. A reference to historical emissions and their link to the global carbon budget was included in paragraph 25 of the GST outcome, which reads “*Expresses concern that the carbon budget consistent with achieving the PA temperature goal is now small and being rapidly depleted and acknowledges that historical cumulative net carbon dioxide emissions already account for about four fifths of the total carbon budget for a 50 per cent probability of limiting global warming to 1.5 °C.*” These references, however, fall short of what developing countries had pushed for i.e. that the text explicitly indicates that developed countries are responsible for most of the historical cumulative emissions, and for using up most of the global carbon budget in relation to the temperature goal.

### Convention, Equity, CBDR-RC

The “preamble” and the “context and cross-cutting considerations” sections carry explicit references to the Convention, principles of equity and CBDR-RC. However, the text has largely been toned down from earlier iterations, mainly due to opposition from developed countries.

Despite major pushback from developed countries led by the **US** who argued that the GST is under the PA and is therefore delinked from the Convention, the specific expanded language on both Articles 2.1 and 2.2 of the PA in the Preamble got retained in the text as it was strongly defended by **G77 and China**, and further reinforced by the **LMDC**, the **African Group, ABU, BASIC, Bahrain** for the **Arab Group, Colombia** for the **Independent Alliance of Latin American and Caribbean Nations (AILAC)**, including **Egypt, China, India, and Botswana** in their national capacities.

The second and third paragraphs of the Preamble reads:

*“Recalling Article 2.1, of the PA, which provides that the Agreement, in enhancing the implementation of*

*the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty,*

*Also recalling Article 2.2, of the PA, which provides that the Agreement will be implemented to reflect equity and the principle of CBDR-RC, in the light of different national circumstances."*

In the "context and cross-cutting considerations" section, paragraph 6 further captures equity and CBDR-RC which reads, *"Commits to accelerate action in this critical decade on the basis of the best available science, reflecting equity and the principle of CBDR-RC, in the light of different national circumstances and in the context of sustainable development and efforts to eradicate poverty."*

Article 2.2 is also reflected in paragraph 7 which reads, *"Underscores Article 2.2, of the PA, which stipulates that the Agreement will be implemented to reflect equity and the principle of CBDR-RC, in the light of different national circumstances;"*

## Temperature goal

A key political fight was to elevate the temperature goal to 1.5 °C, and linking it with the global mitigation efforts. Paragraphs 3, 4 and 5 were finally introduced, attempting to balance the text with inclusion of the Paris temperature goal as well as with a focus on the aspirational goal of 1.5 °C. The 1.5 °C limit was constantly referred to as the "North Star" by the COP 28 Presidency and many Parties.

Paragraph 3: *"Reaffirms the PA temperature goal of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;"*

Paragraph 4: *"Underscores that the impacts of climate change will be much lower at the temperature increase of 1.5 °C compared with 2 °C and resolves to pursue efforts to limit the temperature increase to 1.5 °C;"*

Paragraph 5: *"Expresses serious concern that 2023*

*is set to be the warmest year on record and that impacts from climate change are rapidly accelerating, and emphasizes the need for urgent action and support to keep the 1.5 °C goal within reach and to address the climate crisis in this critical decade;"*

(1.5 °C is also the temperature goal referred to in other parts of the GST decision text, including in paragraph 16(c) with respect to mitigation options, paragraph 25 in relation to the carbon budget, paragraph 26 in relation to the 6<sup>th</sup> Assessment Report [AR6] of the Intergovernmental Panel on Climate Change's [IPCC] finding on global peaking, paragraphs 27 and 28 on the global mitigation target and related global mitigation efforts, paragraph 39 with respect to nationally determined contributions [NDCs]).

## Means of implementation and support

According to sources, a major omission in the context section was not having explicit and specific MOI language to reflect Article 4.7 of the Convention and Article 4.5 of the PA, which had been proposed by the **LMDC** and supported by the **African Group, BASIC** and **Egypt**, for its inclusion in the text. This proposal faced stiff resistance from developed countries who rejected any explicit strong MOI language, especially on finance, across the board.

(Article 4.7 of the Convention states: *The extent to which developing country Parties will effectively implement their 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...*)

The language on Article 4.5 was present until the third iteration of the text of 8 Dec, but did not make its way into the final text. (Article 4.5 of the PA states: *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.*)

A rather generic paragraph 8 in the final decision encapsulates MOI and support which reads,



*“Emphasizes that finance, capacity-building and technology transfer are critical enablers of climate action.”*

Paragraph 16(b) also notes the findings of the IPCC AR6 *“that both adaptation and mitigation financing would need to increase manyfold, and that there is sufficient global capital to close the global investment gap but there are barriers to redirecting capital to climate action, and that Governments through public funding and clear signals to investors are key in reducing these barriers and investors, central banks and financial regulators can also play their part.”*

### Pre-2020 gaps

The text on pre-2020 implementation gaps of the developed countries is considered a key success for developing countries given its tough fight to ensure historical responsibility, equity and CBDR-RC, especially in the context of developed countries taking the lead in action and support.

Developed countries had, all throughout the GST process, generally refused to accept any reference to pre-2020 implementation gaps, arguing that as the GST is under the PA, only implementation actions undertaken since the PA entered into force in 2016 should be taken into account, even though they had already agreed previously (see paragraph 9 of decision 19/CMA.1) in Katowice, Poland on the GST modalities that *“the GST will be conducted in a comprehensive, facilitative, effective and efficient manner, avoiding duplication of work and taking into account the results of relevant work conducted under the PA, the Convention and the Kyoto Protocol.”*

Paragraph 17 of the decision adopted reads, *“Notes with concern the pre-2020 gaps in both mitigation ambition and implementation by developed country Parties and that the IPCC had earlier indicated that developed countries must reduce emissions by 25–40 per cent below 1990 levels by 2020, which was not achieved;”*

## MITIGATION

### Historical emissions, Carbon budget, Equity

References to CBDR-RC and pre-2020 gaps in the

mitigation section eventually got dropped from the final outcome, despite appearing in the fourth iteration draft of 11 Dec. However, the references to CBDR in paragraphs 6 and 7 and to the pre-2020 gaps in paragraph 17 under the ‘context and cross-cutting’ section, form part of the context in which the operational paragraphs of the mitigation and other sections of the GST text would be read.

The reference to historical emissions and the carbon budget in paragraph 25 in the mitigation section reflects a win for developing countries, given the tough stance by developed countries to completely reject any text on these two issues. It was a clarion call of the **LMDC**, the **African Group**, **ABU**, **BASIC**, the **Arab Group**, **Iraq**, **India** and **China**, which survived in this mitigation section, but was dropped from the preceding preambular as well as from the ‘context and cross-cutting’ considerations.

Paragraph 25 reads, *“Expresses concern that the carbon budget consistent with achieving the PA temperature goal is now small and being rapidly depleted and acknowledges that historical cumulative net carbon dioxide emissions already account for about four fifths of the total carbon budget for a 50 per cent probability of limiting global warming to 1.5 °C;”*

This paragraph had been dropped in the fourth iteration of the 11 Dec text, but was reintroduced in the final decision. It is however, a watered down version of the original paragraph captured as an option until the third iteration of 8 Dec, which read- *“Acknowledges that the carbon budgets consistent with achieving the PA temperature goal are now small and being rapidly depleted and expresses concern that historical cumulative net CO<sub>2</sub> emissions between 1850-2019 amount to about four fifths of the total carbon budget for a 50 per cent probability of limiting global warming to 1.5°C, and to about two thirds of the total carbon budget for a 67 per cent probability to limit global warming to 2°C”.*

Further, **China** had consistently expressed its view that the paragraph does not reflect related findings from the IPCC’s AR6 Summary for Policymakers that by region, North America and Europe are responsible for 39% of the historical emissions while Eastern Asia only 12%.

However, on the issue of the “peaking” of emissions, paragraph 26 reads, *“Recognizes the finding in the Synthesis Report of the Sixth Assessment Report of the IPCC, based on global modelled pathways and assumptions, that global greenhouse gas emissions are projected to peak between 2020 and at the latest before 2025 in global modelled pathways that limit warming to 1.5 °C with no or limited overshoot and in those that limit warming to 2 °C and assume immediate action, and notes that this does not imply peaking in all countries within this time frame, and that time frames for peaking may be shaped by sustainable development, poverty eradication needs and equity and be in line with different national circumstances, and recognizes that technology development and transfer on voluntary and mutually agreed terms, as well as capacity-building and financing, can support countries in this regard;”*.

This language ensures that there is no global mitigation target applicable to all Parties on peaking before 2025, but that the timeframes are shaped by the considerations mentioned, including “equity”, in line with different national circumstances and MOI.

### Global mitigation efforts

In the Glasgow Climate Pact (paragraph 22 of decision 1/CMA.3) stated that “limiting global warming to 1.5 °C requires rapid, deep and sustained reductions in global greenhouse gas emissions, including reducing global carbon dioxide emissions by 45 per cent by 2030 relative to the 2010 level and to net zero around midcentury as well as deep reductions in other greenhouse gases.”

Paragraph 15 of the Sharm El Sheikh Implementation Plan (decision 1/CMA.4) then amended this as follows: “...limiting global warming to 1.5 °C requires rapid, deep and sustained reductions in global greenhouse gas emissions of 43 per cent by 2030 relative to the 2019 level.”

The GST decision text of Dubai, in paragraph 27, provides more details with references to 2030, 2035, and 2050, as follows:

*“27. Also recognizes that limiting global warming to 1.5 °C with no or limited overshoot requires deep, rapid and sustained reductions in global greenhouse gas emissions of 43 per cent by 2030 and 60 per cent by 2035 relative to the 2019 level and reaching net zero carbon dioxide emissions by 2050.”*

Paragraph 28 of the GST decision text on the “global efforts” supplements these emission reduction targets. The global mitigation efforts (some with specific timelines) was a key focus of political attention for the GST outcome given language on fossil fuels and coal that will have policy implications. Many countries hailed it as a ratcheting up of ambition on mitigation towards keeping “1.5C alive”, particularly pushed by developed countries, linking it with the eight global targets of paragraph 28(a-h).

It was a paragraph - both the chapeau and global targets – that drew attention at the highest political level, carrying different versions throughout its evolution into the five iterations, including the “leaked text”, hence signifying a difficult paragraph to land in terms of balance. Many developed countries and some developing countries had pushed for clear quantified and time-bound global mitigation targets while other developing countries were very concerned about the economic and policy consequences of having such kinds of targets.

The adopted paragraph 28 reads, *“Further recognizes the need for deep, rapid and sustained reductions in greenhouse gas emissions in line with 1.5 °C pathways and calls on Parties to contribute to the following global efforts, in a nationally determined manner, taking into account the PA and their different national circumstances, pathways and approaches:*

*(a) Tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030;*

*(b) Accelerating efforts towards the phase-down of unabated coal power;*

*(c) Accelerating efforts globally towards net zero emission energy systems, utilizing zero- and low-carbon fuels well before or by around mid-century;*

*(d) Transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science;*

*(e) Accelerating zero- and low-emission technologies, including, inter alia, renewables, nuclear, abatement and removal technologies such as carbon capture and utilization and storage, particularly in hard-to-abate sectors, and low-carbon hydrogen production;*

*(f) Accelerating and substantially reducing non-carbon-dioxide emissions globally, including in particular methane emissions by 2030;*

*(g) Accelerating the reduction of emissions from road transport on a range of pathways, including through development of infrastructure and rapid deployment of zero and low-emission vehicles;*

*(h) Phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible;"*

As observed by veteran negotiators from developing countries, the global mitigation efforts outlined in paragraph 28 of the GST decision have to be read in their proper context and purpose, rather than be treated individually without any consideration as to how they are going to be implemented.

For instance, the chapeau of paragraph 28 clearly indicates that Parties' contributions to these global efforts are to be done "in a nationally determined manner, taking into account the PA and their different national circumstances, pathways and approaches." The explicit reference to the PA indicates that these mitigation efforts are subject to the provisions of the Agreement, including its framework of CBDR-based obligations relating to the mitigation component of national determined contributions (NDCs) outlined under Articles 2, 3, and 4 and the provision of the MOI for such obligations under Articles 4, 9, 10, and 11 of the PA.

This understanding of how paragraph 28 would need to be read and applied was in fact clarified by many developing countries, given the absence of specific language on MOI in the mitigation section of the GST decision, when they highlighted the

urgent need for the delivery of MOI by developed countries, in order to "equitably" implement the GST outcome in a "nationally determined manner" according to their "national circumstances".

According to one seasoned developing country negotiator, in practical terms, to implement paragraph 28 in its proper context, taking into account the PA, Parties' contributions to the global efforts outlined in subparagraphs (a) to (h) would be subject to the following considerations:

- The contributions are nationally determined. It is up to each Party to decide how and to what extent it would contribute to one, some, or all of the sectoral global efforts mentioned in the subparagraphs and how such contributions would be reflected in each country's NDC, taking into account Articles 3, 4.2, 4.3, and 4.4 of the PA, as well as paragraphs 38 and 39 of the GST decision text.

(Paragraph 38 recalls Article 4.4 of the PA which provides for developed countries taking the lead and paragraph 39 reaffirms "*the nationally determined nature of NDCs and Article 4.4... and encourages Parties to come forward in their next NDCs with ambitious, economy-wide emission reduction targets, covering all greenhouse gases, sectors and categories and aligned with limiting global warming to 1.5 °C, as informed by the latest science, in the light of different national circumstances.*"

- Parties' actions to contribute to such sectoral global efforts should reflect equity and the principle of CBDR-RC, in the light of different national circumstances and in the context of sustainable development and efforts to eradicate poverty, as indicated in paragraphs 6 and 7 of the GST decision, and Articles 2.2 and 4.3 of the PA;
- In all cases, developing countries' NDCs that contain actions to contribute to the sectoral global efforts referred to in subparagraphs (a) to (h) should be provided with support by developed countries pursuant to Article 4.5 of the PA and paragraph 8 of the GST decision, which *Emphasizes* that finance, capacity-building and technology transfer

are critical enablers of climate action.

During the bilateral consultations conducted by the Presidency, the iterations of paragraph 28 drew sharp reactions from most developing countries, especially in relation to the lack of specific language on MOI. They highlighted delivery of MOI and support by developed countries as imperative for ambition and to “equitably” implement the GST outcome in a “nationally determined manner” according to their “national circumstances.”

The explicit reference in the chapeau of paragraph 28 that Parties’ contributions must take into account the PA clearly points to the issues raised by developing countries with respect to the need to ensure that there is a clear linkage between Parties’ contributions and the provision of MOI to developing countries. The inclusion of the PA reference hence indicates that the implementation of paragraph 28 would also be in subject to the implementation of Article 4.5 which deals with the provision of support, to developing countries for the implementation of their NDCs.

Textual language that was of key interest to both observers and many Parties was on the phase out of fossil fuels. The final text carrying “*transitioning away from fossil fuels.....*” was a very watered down version of the earlier forms of the text with stronger language options of “phase out of fossil fuels”. In the 11 Dec text, the language formulation was “reducing both consumption and production of fossil fuels...”, while the leaked text carried a closer language to the final paragraph 28 that was adopted.

Similarly, the final language of “*phase-down of unabated coal power*” was also weaker given initial formulations carrying a more stringent “rapid phase out of unabated coal power” in the decade, along with language on “*limitations on permitting new and unabated coal power generation;*”.

Paragraph 29 of the decision adopted “*Recognizes* that transitional fuels can play a role in facilitating the energy transition while ensuring energy security”, while paragraph 30 “*Welcomes* that over the past decade mitigation technologies have become increasingly available, and that the unit costs of several low-emission technologies have fallen continuously, notably wind power and solar

power and storage, thanks to technological advancements, economies of scale, increased efficiency and streamlined manufacturing processes, while recognizing the need to increase the affordability and accessibility of such technologies.”

The **AOSIS**, speaking after the adoption of the GST decision, said that the decision contained “many good elements,” but expressed that “the course correction needed has not been secured” and that “we have made incremental advancement over business as usual,” but “what is needed is an exponential step change”.

It said that there is no commitment to peak emissions by 2025, and that in paragraph 28 in the text, “the exclusive focus on energy systems is disappointing” and that sub-paragraphs (e) (on zero and low emissions technologies) and (h) (on phasing out inefficient fossil fuel subsidies) “potentially take us backward rather than forward” and that “we are being asked to endorse technologies that could result in actions that undermine our efforts.” It wanted guardrails on this language in relation to paragraph 28(e) (which could not be entertained as the decision had been gavelled).

**Antigua and Barbuda** said that reliance on transition gas (in paragraph 29) is a dangerous loophole and is a fossil fuel that we need to transition away from. It raised the alarm that this will take away investments from renewable energy, leaving poor developing countries with high energy costs and stranded assets. (See [TWN Update 18](#))

Several observers and civil society groups have also expressed major environmental and social concerns over paragraph 28 (e) in relation to the promotion of nuclear technology, as well as abatement and removal technologies such as carbon capture and utilization and storage.

The other global target is on halting and reversing deforestation by 2030 (paragraph 33) which is followed by paragraph 34 on the need for MOI for that particular target including through results-based payments and joint mitigation and adaptation approaches.



Paragraph 33 *“Emphasizes the importance of conserving, protecting and restoring nature and ecosystems towards achieving the PA temperature goal, including through enhanced efforts towards halting and reversing deforestation and forest degradation by 2030, and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases and by conserving biodiversity, while ensuring social and environmental safeguards, in line with the Kunming-Montreal Global Biodiversity Framework.”*

Paragraph 34 *“Notes the need for enhanced support and investment, including through financial resources, technology transfer and capacity-building, for efforts towards halting and reversing deforestation and forest degradation by 2030..., including through results-based payments for policy approaches and positive incentives for activities relating to reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries; and alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests, while reaffirming the importance of incentivizing, as appropriate, non-carbon benefits associated with such approaches.”*

It needs to be noted that paragraph 32 on non-market approaches which was firmly called for by **Bolivia** reads *“Also emphasizes the urgent need to strengthen integrated, holistic and balanced nonmarket approaches in accordance with Article 6.8, of the PA, in the context of sustainable development and poverty eradication, in a coordinated and effective manner, including through mitigation, adaptation, finance, technology transfer and capacity building, as appropriate.”*

## ADAPTATION

### Means of implementation and support

As with the mitigation section, developing countries wanted a robust reference to the provision of MOI in the adaptation section as well, which was consistently resisted by developed countries. The **G77 and China** had called for specific language on adaptation finance gaps; scaling up the quantum with the development of a roadmap; at least doubling of adaptation finance

thereafter with rapid increase based on needs of developing countries; need for public funds and grants coming from developed countries; simplified access and tracking of increase of adaptation finance, among others.

Some of these aspects relating to the MOI for adaptation and the gaps are reflected in the section specifically on MOI and support, and do not appear in the adaptation section. (See further details below).

### Linkage to global goal on adaptation

Throughout the evolution of the decision, there had been a placeholder for the global goal on adaptation (GGA) signaling that text would be derived from the final outcome of the GGA framework and its targets.

Paragraph 62 points to the GGA framework adopted by [decision-/CMA.5](#) which is named the “UAE Framework for Global Climate Resilience.” Paragraphs 63-65 are mirrored from the GGA decision, containing the thematic and dimensional targets of the Framework.

## MEANS OF IMPLEMENTATION AND SUPPORT

The title of the section was contentious in the first week of the GST talks with various language options including the controversial Article 2.1(c) of the PA wording. The final text ultimately was titled “means of implementation and support” which was the preferred language of most developing countries while developed countries had pushed for the Article 2.1(c) reference.

### Finance

Despite attempts by developed countries to completely weaken language on their financial obligations going as far as rejecting any reference to “developed countries” having to provide or mobilise finance, the final decision managed to reflect key aspects in relation to Articles 2, 4 and 9.1-9.4 (paragraph 66, 71, 72, 100); Article 4.5 (paragraph 73); USD 100 billion per year goal through 2025 (paragraph 85); and Loss and Damage Fund and its funding arrangements (paragraphs 87-89).

The decision in paragraph 67, states the following: *“Highlights the growing gap between the needs of developing country Parties,..., highlighting that such needs are currently estimated at USD 5.8–5.9 trillion for the pre-2030 period;”* while paragraph 68 states: *“Also highlights that the adaptation finance needs of developing countries are estimated at USD 215–387 billion annually up until 2030, and that about USD 4.3 trillion per year needs to be invested in clean energy up until 2030, increasing thereafter to USD 5 trillion per year up until 2050, to be able to reach net zero emissions by 2050.”*

Some of the key paragraphs that were dropped from the adaptation section are found in the finance section, including additional language with regard to the quantum of adaptation finance such as paragraphs 68, 77, 81, 86, 99 and 100. Read together, these paragraphs relating to adaptation finance highlight the scale of the adaptation finance needs of developing countries (paragraph 68); the efforts of developed countries to make progress in at least doubling adaptation finance from 2019 levels by 2025 (paragraph 77); the widening of the adaptation finance gap (paragraph 81); and hence, the need to significantly scale up adaptation finance beyond merely doubling its level (paragraph 86).

Paragraph 100 urges *“developed country Parties to prepare a report on the doubling of the collective provision of climate finance for adaptation to developing country Parties from 2019 levels by 2025, in the context of achieving a balance between mitigation and adaptation in the provision of scaled-up financial resources, recalling Article 9.4...for consideration by ...(CMA 6)...”*.

To provide a platform for Parties to check whether adaptation finance is being scaled up and adaptation support pledges are being met, paragraph 99 established a high-level ministerial dialogue to be undertaken at CMA6 in 2024, while paragraph 100 urges developed countries to prepare a report to be considered by CMA6 on the doubling of their collective provision of adaptation finance to developing countries from 2019 levels by 2025.

On new and additional grants-based and highly concessional finance, the language is reflected by paragraphs 69, 83, 86, 95.

On the role of the private sector, paragraph 70 reads, *“Also recognizes the role of the private sector and highlights the need to strengthen policy guidance, incentives, regulations and enabling conditions to reach the scale of investments required to achieve a global transition towards low greenhouse gas emissions and climate-resilient development and encourages Parties to continue enhancing their enabling environments”*. This was a curtailed version with language on “policy frameworks” finally deleted from the paragraph.

In response to the G77 and China’s call to include loss and damage finance-related paragraphs as part of the GST decision text’s finance section, the Presidency shifted the placement of paragraphs 87, 88, and 89 from the ‘Loss and Damage’ section of the GST text to the finance section. The G77 and China had called for this in order to make clear that loss and damage finance is part of the overall climate finance package, on the same footing as climate finance for mitigation and for adaptation.

With regard to the big push by developed countries to elevate Article 2.1(c) over Article 9 and overall MOI and support, which was a heavy focus in the previous iterations, the final text however saw a balance, by limiting text on Article 2.1(c) to only two paragraphs i.e. 91 and 92, which may be perceived as a setback for developed countries who wanted to see much stronger language. Paragraph 92 mirrors the decision on matters dealt with by the Standing Committee on Finance (SCF) to continue the Sharm el-Sheikh dialogues on Article 2.1(c) until 2025.

Further, paragraph 90 importantly links Article 2.1(c) to the entirety of Article 2 which reads, *“Recognizes the importance of making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development for the achievement of Article 2 of the PA and that this goal is complementary to, and no substitute for, Article 9 of the PA, which remains essential for achieving mitigation and adaptation goals in developing countries”*. (See [TWN Update 21](#)).

Text on the process for determining the new collective quantified goal on finance (NCQG) is reflected by paragraphs 93 and 94 with paragraph 94 pointing to the evolving needs of developing

countries, and reads: *“Also recognizes that the deliberations related to the scale and elements of the NCQG on climate finance could take into consideration the urgent need to, inter alia, support implementation of current NDCs and national adaptation plans, increase ambition and accelerate action, taking into account the evolving needs of developing country Parties, and the potential for mobilizing finance from a wide variety of sources, instruments and channels, recognizing the interlinkages between the different elements of the NCQG...”*. (See [TWN Update 22](#) for further details).

Also significant within the decision on the finance section is paragraph 97, which established a *“dialogue on implementing the GST outcomes.”* Under paragraph 98, this dialogue *“will be operationalized starting from ... (CMA 6 in 2024) and conclude at ... (CMA 10 in 2028, and requests the Subsidiary Body for Implementation (SBI) to develop the modalities for the work programme at its sixtieth session (June 2024) for consideration by ... (CMA6).”*

The inclusion of this dialogue within the GST decision’s finance section means that it is intended to provide a dialogue platform after the first GST that will focus on the implementation of the long term finance-related operational outcomes of the GST, (such as paragraphs 71, 72, 73, 74, 76, 77, 78, 80, 82, 83, 85, 86, 88, 89, 90, 95).

### Technology development and transfer; Capacity-building

The **G77 and China** proposal for a technology implementation programme made it into the final decision and is considered a key win of developing countries.

Paragraph 110 reads: *“Decides to establish a technology implementation programme, supported by, inter alia, the operating entities of the Financial Mechanism, to strengthen support for the implementation of technology priorities identified by developing countries, and to address the challenges identified in the first periodic assessment of the Technology Mechanism,... and invites the SBI at its sixty-first session (Nov 2024) to take into account the technology implementation programme in its consideration of the Poznan strategic programme on technology transfer, with a view to recommending a draft decision on the matter for*

*consideration and adoption by...CMA 6”.*

On capacity building, the **G77 and China** had called for a capacity-building fund to be established. This was opposed by developed countries who expressed wariness about the establishment of another fund.

To address the concerns raised by developing countries on the lack of financing for capacity building activities, the Presidency included paragraph 120 in the decision, which *“Requests the operating entities of the Financial Mechanism and the Adaptation Fund to further enhance support for capacity-building in developing countries and to provide updates thereon in their annual reports to the CMA and encourages Parties to further enhance support for capacity-building, including through international cooperation.”*

### LOSS AND DAMAGE

The operationalisation of the Loss and Damage Fund (LDF) and its funding arrangements are reflected by paragraphs 87-89 in the finance section, as per the call of the **G77 and China** for such placement.

With respect to the substantive content for the loss and damage section of the GST decision, the **G77 and China** had two key demands to be reflected: one was to strengthen the collection, management, metrics, inventory, and reporting of loss and damage-related data and information from Parties and the other one was for the establishment of a standing agenda item on loss and damage under the SBs, the CMA and the COP.

The first proposal was intended to address the information gaps that exist with respect to loss and damage needs that should be addressed through financing from the LDF and technical assistance from the Santiago Network. The second proposal was intended to ensure that the issue of loss and damage would remain a key part of the discussions under the SBs, the CMA and the COP.

Paragraphs 133 and 134 together reflect the G77 and China’s proposal to have a strengthened information and data collection, management and reporting framework for loss and damage under the Convention and the PA.



The G77 and China had proposed mandating the Warsaw International Mechanism (WIM) Executive Committee prepare voluntary guidelines for the collection and management of data and information relating to loss and damage, including the use of common metrics, that Parties can then use voluntarily to include such information in the loss and damage-related section of their biennial transparency reports (see decision 18/CMA.1, Annex, Section IV.G, paragraph 115).

These paragraphs 133 and 134 can be considered as positive outcomes with respect to loss and damage information collection, management, and reporting:

*“133. Requests the Executive Committee of the WIM to prepare, building on the work of its expert groups, technical expert group and task force, voluntary guidelines for enhancing the collection and management of data and information to inform the preparation of biennial transparency reports;”*

*“134. Also requests the secretariat to prepare on a regular basis a synthesis report, for consideration by the Executive Committee of the WIM, on information on loss and damage provided by Parties in their biennial transparency reports and, as appropriate, in other national reports under the PA, with a view to enhancing the availability of information on loss and damage, including for the purpose of monitoring progress in responding thereto at the national level;”*

However, the G77 and China proposal for having a standing agenda item on loss and damage be incorporated into the agendas of the SBs, the CMA and the CMA did not get reflected in the GST outcome. This, however, according to a senior negotiator from a developing country, does not preclude future proposals for the inclusion of such standing agenda or to amend the existing agenda item relating to the WIM to be broader in scope so as to include within the WIM agenda item continuing consideration of the implementation of loss and damage-related decisions and work such as the LDF and the Santiago Network.

## RESPONSE MEASURES

Reference to “unilateral measures” in the context of

Article 3.5 of the Convention which had survived until the third iteration of the 8 Dec text, was ultimately dropped from this section due to opposition from the developed countries, but was reflected in the section under ‘international cooperation’. (Please see below).

On linkage to the just transition work programme, throughout the evolution of the text, there had been a placeholder signaling that language would be derived from its final outcome. Paragraphs 151 and 152 point to the [decision](#) adopted on the UAE Just Transition Work Programme. (See here [TWN Update 19](#)).

## INTERNATIONAL COOPERATION

The **G77 and China** had called for the development through the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI) of methodologies and tools to assess and analyze the impacts of the implementation of response measures, looking not only at the positive impacts but also the negative impacts. The developed countries had said that there was no need to develop further methodologies or tools, as there were already existing methodologies and tools that could be used.

Paragraph 143 reflects a compromise in that it *“Encourages Parties to consider developing, in consultation with technical experts, practitioners and other stakeholders, as appropriate, methodologies and tools, including modelling tools, for assessing and analysing the impacts of the implementation of response measures, with a view to minimizing the negative and maximizing the positive impacts of response measures, with a particular focus on the creation of decent work and quality jobs and on economic diversification.”*

The decision does not create any mandate for any work to be undertaken with respect to such methodologies or tools through the KCI or for such issues to be discussed either with the Forum on Response Measures or the KCI.

## Unilateral measures

The issue of addressing unilateral trade measures in the context of climate change responses was a



highly contentious issue, advanced by the developing countries led by **Philippines** for the **G77 and China** as well as **BASIC**.

The G77 and China wanted such measures to be explicitly referred to as being subject to Article 3.5 of the Convention. It now only appears in paragraph 154 under the “International Cooperation” section, reflecting to some extent, the language of Article 3.5 of the Convention). Paragraph 154 states: *“Recognizes that Parties should cooperate on promoting a supportive and open international economic system aimed at achieving sustainable economic growth and development in all countries and thus enabling them to better to address the problems of climate change, noting that 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 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”.*

According to some legal experts, Article 3.5 of the Convention is a treaty-based normative standard of conduct that Parties to the Convention (and hence the PA) should comply with. Paragraph 154 is couched in operative terms and hence, should be read and interpreted as the CMA recognizing and bringing into the PA implementation context, the provisions of Article 3.5 of the Convention to guide and shape how Parties should act with respect to, inter alia, unilateral trade measures taken to combat climate change.

## GUIDANCE AND WAY FORWARD

Keeping this section simple and procedural without any further guidance on the NDCs was a key call from the **LMDC, ABU** and the **Arab Group**.

Any linkage to the different workstreams or work programmes especially to the Mitigation Work Programme (MWP), was also consistently rejected by the **LMDC, ABU, the Arab Group, China** and **India**, as they argued that no new mandates should be created out of the GST outcome citing paragraph 14 of decision 19/CMA.1 which states, *“Emphasizes that the outputs of the GST should focus on taking stock of the implementation of the PA to assess collective progress, have no individual Party focus, and include non-policy prescriptive consideration of collective progress that Parties can use to inform the updating and enhancing, in a nationally determined manner, of their actions and support in accordance with relevant provisions of the PA as well as in enhancing international cooperation for climate action”.* (See [TWN Update 19](#))

However, the section on the way forward now contains a long list of post-GST follow up activities contained in paragraphs 164-194. These paragraphs relating to specific post-GST activities can be clustered as follows:

- Paragraphs 164-171 – These paragraphs relate to the preparation and communication by Parties of their next NDCs “with an end date of 2035” (i.e. NDCs to cover the period 2031-2035, since current NDCs run from 2021 to 2030);
- Paragraphs 172-173 – The submission of the first biennial transparency reports by the end of 2024;
- Paragraph 181 – The conduct of a Subsidiary Body for Science and Technological Advice (SBSTA) expert dialogue on mountains and climate change at SBSTA60 in June 2024;
- Paragraph 182 – The conduct of a SBI expert dialogue on children and climate change at SBI60 in June 2024;
- Paragraph 187 – The conduct of an annual GST dialogue starting at SBs60 in June 2024 on how the GST outcomes are informing the preparation of Parties’ next NDCs;

- Paragraph 190 – The holding of a special event under the UNSG’s auspices for the presentation of Parties next NDCs;
- Paragraph 191 – The launching of a set of activities (Roadmap to ‘Mission 1.5 °C’) under the guidance of the Presidencies of CMA5 (UAE), CMA6 (Azerbaijan), and CMA7 (Brazil), to enhance international cooperation and stimulate ambition in the next round of NDCs. This paragraph reflects **Brazil’s** Mission 1.5 °C proposal, which as per the Presidency’s understanding was agreed to be addressed under the GST. Brazil had called for it to be addressed under this section;
- Paragraphs 192-194 – These paragraphs lay down the groundwork for the start of the preparations for the second GST, including:
  - Paragraphs 192-193 – Undertaking in 2024 (commencing at SBs60 in June 2024 and ending at CMA6 in Nov. 2024) the consideration of refining the procedural and logistical elements of the overall GST process based on the experience of the first GST, with Parties and non-Party stakeholders being invited to submit information by 1 March 2024 on the experience and lessons learned from the conduct of the first GST and the secretariat to prepare a synthesis report on such submissions to inform the SBs.
  - Paragraph 194 – Lays out the overall timeline for the second GST with the information collection component of the second GST to commence at CMA8 (Nov 2026) and the consideration of outputs component to conclude at CMA10 in late 2028.

It can be expected that in the coming years, how the decision is interpreted and implemented will be a major flashpoint between developed and developing countries, especially in the preparation and communication of the next NDCs in 2025.