Glasgow Climate Change Conference: Thursday, 4 November 2021

Negotiations focused on a wide range of issues, with considerable attention to Article 6 (cooperative approaches), finance, and transparency. Other key issues, such as science, technology, loss and damage, and adaptation, were also discussed.

**COP**

**Matters Relating to Finance: Matters relating to the Standing Committee on Finance (SCF):** Informal consultations co-facilitated by Richard Muyungi (Tanzania) and Gard Lindseth (Norway) focused on the fourth biennial assessment and overview of climate finance flows and the first report on the determination of the needs of developing country parties related to implementing the Convention and the Paris Agreement.

On the biennial assessment, many expressed disappointment that, for the first time, the report does not include recommendations, which one group indicated was in part due to a lack of agreement on a definition of climate finance.

Developing country groups highlighted that: UN climate funds comprise 0.34% of global finance flows; finance for mitigation and adaptation is unbalanced; there is decreasing funding for small island developing states (SIDS); there is not a fair allocation of resources for Africa; and the finance from multilateral development banks includes non-concessional loans. They called for improving methodologies, particularly for the mobilization of finance and for “other private finance,” and for defining climate finance.

Developed countries welcomed, among others: the 16% increase in climate finance flows; decreased unit costs, particularly in renewable energy; and the investors representing USD 90 trillion of assets that signed on to the Principles for Responsible Investment. A developed country suggested further disaggregating finance flows between public and private sources that provide finance to least developed countries (LDCs) and SIDS in future biennial assessments.

Several highlighted the inclusion of Paris Agreement Article 2.1(c), which calls for making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development. Many developing countries highlighted the need for better operationalization and methodologies for the Article.

On the report on the determination of developing country parties’ needs, two developing country groups called for better, and quantitative, inclusion of loss and damage. Another developing country group noted that needs will evolve as developing countries update their NDCs, and that countries used different methodologies to assess their needs. Several emphasized the need for capacity building.

Some developed countries said the report should be considered in broad terms that include capacity building, technology, policy reforms, and the Sustainable Development Goals and the Addis Ababa Action Agenda. One highlighted the need for greater disaggregation of information on needs and suggested that the report feature more inputs from developing countries with greater capacity to identify needs.

With clarification that the Co-Facilitators will consult with the Presidency on a way to ensure that decisions are compliant with Convention Article 11.3(d) (ensuring predictability of finance) and recent COP and CMA decisions related to the operating entities of the Financial Mechanism, parties agreed to provide written inputs for a draft text. Informal informals will continue.

**Report of, and guidance to, the Global Environment Facility (GEF):** Co-Chair Diann Black-Layne (Antigua and Barbuda) invited parties to share their views on the draft guidance provided by the SCF Co-Facilitators. The EU suggested reflecting the collaboration between the private sector and GEF trustees. The US, CANADA, NORWAY, and Switzerland, for the EIG, underscored that the guidance should not be prescriptive.

Antigua and Barbuda, for AOSIS, indicated that GEF funding should be predictable and adequate, calling for more direct finance for SIDS and no conditionality related to co-financing. South Africa, for the AFRICAN GROUP, said he could not agree with many things in the draft guidance, and called on GEF to step up direct access, saying otherwise it would be a “dinosaur institution.” Colombia, on behalf of ALAC, suggested increasing funding for increasingly indebted middle- and upper-middle-income countries.

The Co-Chairs will prepare a text, drawing on the SCF Co-Facilitators’ draft and comments made by parties. Informal meetings will continue.

**CMP**

**Matters Relating to the Adaptation Fund: Report of the Adaptation Fund:** Parties agreed to provide written inputs for the Co-Chairs to draft a decision text for their consideration.

**CMA**

**Matters Relating to Finance: Matters relating to the SCF:** This item is summarized under the COP.

**Report of, and guidance to the GCF:** Diann Black-Layne (Antigua and Barbuda) co-chaired the contact group. The EU highlighted prioritizing projects with the highest impact and improving the efficiency and effectiveness of the Fund’s decision making. Antigua and Barbuda, for AOSIS, supported by CANADA, called for requiring all financial flows from the operating entities and trustees of the Financial Mechanism to be aligned with Paris Agreement article 2.1(c) (on the consistency of
financial flows with a pathway towards low-GHG emissions and climate-resilient development).

South Africa, for the AFRICAN GROUP, raised concern about the imposition of unilateral funding access conditions on Board members and developing countries, and reminded it could not accept the Co-Facilitators’ proposed draft guidance submitted to the SCF. BOLIVIA called for a specific window for the financing of alternative policy approaches.

NORWAY, supported by CANADA and the US, said GCF guidance should remain overall at a strategic level, with the US adding it should however not shy away from taking steps to increase efficiency.

Deliberations will continue in an informal setting, and the Co-Chairs will prepare draft text drawing from an addendum to the SCF’s report and submissions and inputs received from parties.

**Guidance to the GEF:** Parties agreed to ask the Co-Facilitators to prepare a draft for further consultations.

**Matters relating to the Adaptation Fund:** Parties agreed to provide written inputs for the Co-Chairs to draft a decision text for their consideration.

**SBSTA**

**Methodological Issues under the Paris Agreement:** In the contact group, co-facilitated by Xiang Gao (China), delegates heard reports from the sub-items’ Co-Facilitators and exchanged views on the second iteration of the draft conclusions and draft CMA decision. Views remain divergent on: the legal status of the outlines; the operationalization of flexibility provisions; and references to the 2019 Refinement to the 2006 IPCC Guidelines and whether, if at all, these should be made in the conclusions or the decision. Delegates also disagreed on references to GEF support for developing countries’ reporting, both in terms of the references’ phrasing and their placement in the transparency decision as opposed to the GEF guidance. Delegates agreed that the software should be ready as soon as possible, with a view to parties providing feedback and ensuring the final version is ready by the end of 2023, and that the training programme should be available earlier than 2024. Other comments related to, among others: the role of the Consultative Group of Experts and lead reviewers in supporting the development of the training programme for expert reviewers; the considerations of gender and geographical balance in relation to the training programme; and the interoperability of the software.

Gao invited delegates to reach out bilaterally and among themselves, noting they will prepare a new iteration on Friday, 5 November, including updated annexes on the sub-items.

**Common reporting tables (CRTs) for the electronic reporting of the information in the national inventory reports (NIR):** Informal consultations were co-facilitated by Helen Plume (New Zealand), who pointed to a second iteration of the options for the CRTs, which incorporates editorial changes suggested by parties, and to a list summarizing parties’ more substantial suggestions. Some delegates noted agreement on the operationalization of flexibility provisions, and that the use of background tables would unlock several outstanding issues. Noting the difference between the application of flexibility provisions in filling out the tables and the question of how to display the output, a developing country group called for having empty lines collapsed in the exported tables. Several developed countries and other developing country groups indicated willingness to further engage on the output display options.

**Common tabular formats (CTFs) for tracking progress in implementing and achieving NDCs:** Informal consultations were co-facilitated by Xiang Gao (China), who introduced a second iteration of options for the CTFs. Delegates’ comments related to, among others: differentiating between indicators for tracking progress in implementation and achievement of NDCs; clarifying linkages between the energy and transport sectors in the tables on projections; having different tables for unconditional and conditional targets; and having separate tables for the first and subsequent NDCs. Delegates converged on the need for parties to be able to specify the timeframe of different policies and measures.

Two developing country groups specified that their preferred option in the Co-Facilitators’ document was meant as an alternative, narrative format for the structured summary, not an alternative to all the draft tables. They noted this option listed the mandatory requirements for the structured summary as per the modalities, procedures and guidelines (MPGs), with parties being free to also voluntarily report on other elements in the format of their choosing. The Co-Facilitators will prepare a new iteration of the draft tables, to be included as an annex to the SBSTA Chair’s conclusions.

**Common tabular formats (CTFs) on support provided and mobilized, needed and received:** In informal consultations, co-facilitated by Karima Oustadi (Italy), delegates discussed an informal note containing options for CTFs, with Oustadi pointing to the corresponding spreadsheets prepared by the Secretariat.

Developing countries emphasized distinguishing between: public and mobilized finance; total project and climate-specific amounts; and years in which a project is committed and in which funds are disbursed. Regarding developing countries’ call to indicate grant-equivalent amounts, a developed country assured this would be addressed, noting challenges reflecting this in the tables since grant equivalency cannot be provided for several financial instruments.

Parties’ views continued to diverge on whether to include columns on support for loss and damage activities. While developing countries underscored this as a priority, noting that there should be space for reporting on loss and damage-related needs, a developed country cautioned against reopening the “carefully negotiated balance” of the MPGs, and suggesting that other organizations are better positioned than the UNFCCC to address disaster response.

**Training programme for technical experts participating in the technical expert review:** Informal consultations were co-facilitated by Harry Vreuls (the Netherlands), who introduced draft text.

Delegates indicated their respective preferences for the outlined options. There was broad convergence on several points, such as for training courses to be available both online and to download, and for flexible examination formats with online and in-person options. Parties supported regional training seminars in LDCs and SIDS to foster reviewer diversity. Many expressed openness towards not limiting the number of examination attempts and several preferred an additional module, rather than separate training, for lead reviewers.

On examination requirements, several called for clarifying “courses for the new elements under the Paris Agreement,” and a developing country emphasized that fast-track provisions for experts on GHG review should be addressed in the decision, and not the annex detailing the training programme. Developed and developing countries debated the need for training for review of voluntary reporting elements, such as adaptation. The Co-Facilitators will prepare a new text iteration for inclusion in the SBSTA Chair’s conclusions.

**Article 6:** Throughout the day, parties exchanged views on draft text in informal consultations co-facilitated by Mandy Rambharos (South Africa), Hugh Scaly (Barbados), Peer Stiansen (Norway), and Kim Solberg (the Netherlands).

**Article 6.4 (mechanism):** Several parties and groups indicated their preferences in chapters and subchapters on, *inter alia,*
supervisory body governance, participation responsibilities, activity design and methodologies, delivering overall mitigation in global emissions (OMGE), and transition of Clean Development Mechanism (CDM) activities and certified emissions reductions (CERs).

On governance, one group called for the supervisory body to have a function of coordinating with the Local Communities and Indigenous Peoples Platform (LCIPP). A party asked to bracket text on various supervisory body functions, including the delivery of OMGE. Comments were also made relating to gender balance on the supervisory body, transparency of its proceedings, and opportunities for public comment.

On participation responsibilities, views diverged on whether a host party “may” or “shall” be required to provide information on, *inter alia*, its baseline approaches and other methodological requirements. A group stated reservations regarding text on requesting host parties to specify baselines or crediting periods, calling for a “minimum of centralization” in the mechanism.

On activity design, some called for integrating human rights into a paragraph on targets of stakeholder consultations.

On methodologies, a country expressed preference to baselines based on historical emissions. One group questioned allowing for a complete waiving of additionality requirements for LDCs and SIDS, while another party called for avoiding burdening these countries.

On OMGE, supporting mandatory cancellation, one country called for Article 6.4 to move beyond offsetting. A party proposed “bridging text” that specifies that OMGE should primarily be delivered by strong rules and modalities, while the chapter on OMGE provides for delivering a further OMGE. One group stressed voluntary cancellation does not deliver OMGE.

On transitions, one country supported transitioning all activities and not limiting CER transitions with dates. Another country called for more attention to supporting the maintenance of market activities. A group, supported by a party, expressed strong concerns about various proposals that could dilute ambition, and asked to bracket the chapter on CDM and CER transition. Several parties expressed a degree of flexibility on CER transition.

Three countries and a group called for including references to emissions avoidance in sentences referring to emissions reductions.

Views diverged on whether and how to refer to the long-term temperature goal of the Paris Agreement throughout the text.

Parties agreed to Solberg’s proposal to: send to the Co-Facilitators any further textual suggestions; possibly meet in the evening in informal informals to discuss baselines; and mandate the Co-Facilitators to develop a second iteration of draft text by Friday, 5 November, morning.

**Article 6.8 (non-market approaches):** Parties exchanged views on decision text related to governance and institutional arrangements, and focus areas of the work programme, and an annex on the work programme. On governance and institutional arrangements, one country presented a proposal with three components: a facilitative mechanism; a network; and a registry hub, saying he would make the proposal available in a graphic form. A group called for focusing on identifying institutional functions more clearly and to remove functional overlap in the text. One developing country group, supported by a developed country, expressed preference for continuing to work under the SBSTA, saying this enables broader participation in the discussions.

On focus areas, parties largely converged around the need to streamline a draft list containing 14 proposed areas. Many called for avoiding a “shopping list” and supported a more generic, open-ended listing. One group proposed including a list as “inspiration for submissions.” Two developing country groups called for ensuring, including through listing some initial activities, that work can start without delay, while governance arrangements are being finalized. One proposed informal informals to refine the list. Describing the current list in the text as biased, another developing country group stressed the Paris Agreement is built on targeting emissions and not sources of emissions.

On the annex, a developing country group and a developed country proposed adding references to ensuring environmental integrity and no overall increase in global emissions. Two developed and two developing countries called for mandating coordination with Indigenous Peoples and local communities, and one developing country group called for a standalone section on engagement with Indigenous Peoples. On proposals to reference human rights, one developing country group called for using language from the Paris Agreement only.

Informal informals convened in the afternoon to discuss focus areas and governance.

**Nairobi Work Programme (NWP):** Co-Facilitator Carlos Fuller (Belize) facilitated informal consultations. While noting strong appetite among parties to reflect on the text line-by-line, Fuller highlighted the lack of time and proposed focusing on areas where views diverged. Parties proposed several revisions and exchanged views on, *inter alia*: whether calling on the NWP to “bridge gaps across all groups of young people” would be an expansion of its mandate; whether capacity building, technology, and finance should be included in the NWP stocktake; and replicating explicit references to developing countries, including LDCs and SIDS, across all relevant parts of the text.

The Co-Facilitators will revise the draft conclusions.

**Sources of Input for the Global Stocktake (GST):** In informal consultations, Co-Facilitators Juliana Arciniegas (Colombia) and Christiane Textor (Germany) presented draft conclusions, reminding parties to focus on the mandate in paragraph 38 of decision 19/CMA.1 (to complement the non-exhaustive lists on sources of inputs for the Stocktake), and noted that this is one of many input channels to the GST. Many developed countries supported the draft conclusions.

Several developing country groups raised concerns that some comments were not reflected in the draft conclusions, and strongly requested redrafting these. They highlighted the importance of, *inter alia*: explicitly allowing the consideration of inputs and information not referred to in the non-exhaustive lists; and receiving robust reassurances that the lists will be interpreted in an open and comprehensive manner.

Several proposed additional text, and others said they were not in a position to consider additional language due to a lack of time. The Co-Facilitators encouraged parties to continue engaging and said they would revise the draft conclusions.

**Matters Related to Science and Review: Research and Systematic Observation:** Informal consultations were co-facilitated by Ladislaus Chang’a (Tanzania), who introduced draft conclusions. Parties welcomed the draft conclusions and agreed to work through them paragraph by paragraph. In response to calls by one party to bracket a significant portion of the text, Chang’a confirmed the discussions would take place under the understanding that all the text is bracketed. Debate centered around paragraphs welcoming activities, information, and submissions from scientific bodies. Three parties, opposed by several others, requested removing a sentence encouraging parties to use the information to inform their actions under the Convention and the Paris Agreement. A party proposed “noting the relevance” of the information to inform such actions.

In a paragraph on strengthening systematic observation and research, one group stressed the knowledge gap regarding, and need for further scientific work on, tipping points.
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SBSTA/SBI

Warsaw International Mechanism (WIM): In informal consultations, Co-Facilitator Cornelia Jaeger (Austria) presented draft conclusions. Delegates welcomed the text as a basis for further discussion. Some highlighted proposals that were not reflected in the draft text, including a lengthy suggestion from developing countries on the functions of the Santiago Network on loss and damage.

Views diverged on the extent to which the functions of the Santiago Network should be elaborated in the decision, with some calling to consider both form and function together in subsequent work under the SBs, while others stressed that form follows function. Developing countries strongly stressed the need for a substantive outcome on the Network from Glasgow.

On financial support for loss and damage, some opposed the Executive Committee providing input to the SGP, and suggested replacing the paragraph on finance previously agreed language from decision 2/CMA.2 (WIM).

One party highlighted that effective support to avert, minimize and address loss and damage requires nationally-, regionally-, and locally-led solutions by existing organizations, bodies, networks and experts, including by Indigenous communities.

Other suggestions related to: referring to the IPCC Working Group I contribution to the Sixth Assessment Report; noting, in the preamble, the increasing urgency of enhancing efforts on loss and damage; and inviting parties to scale up facilitation of safe, orderly and regular migration.

Informal consultations continued.

Development and Transfer of Technologies and Implementation of the Technology Mechanism: Joint annual report of the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN): Informal consultations were co-facilitated by Stella Gama (Malawi) and Toshiaki Nagata (Japan). A party suggested, supported by others, revising the first seven paragraphs in the draft COP decision to match the text discussed in informal informals. On the draft decision related to the TEC’s activities, developed countries proposed a new paragraph to note the role of the private sector. Many parties supported this addition, with some suggesting giving a general guidance to the TEC on its work related to the private sector. On a paragraph regarding the Technology Day, a party indicated that the mandate of such events should come from the technology framework under the Paris Agreement, saying the paragraph should be moved to the CMA decision. Several countries opposed, suggesting to keep it in both the COP and CMA decisions.

One developing country proposed to delete a paragraph commending the TEC’s efforts on gender mainstreaming. Many parties opposed, underscoring the need to acknowledge the TEC’s work on gender and achievement of gender balance in its events in 2021. One party lamented the lack of geographic balance in the membership of the TEC, suggesting adding a paragraph noting that some countries are prevented from fully participating in the Committee’s work. Several parties indicated the TEC membership is a cross-cutting issue, and Co-Facilitator Nagata encouraged parties to engage in the presidency consultation on the election of officers.

On the draft decision related to CTCN’s activities, parties debated about whether to mention “the implementation of sector-focused approaches.” Noting lack of clarity, many parties supported deleting the term “sector-focused.” A developed country opposed, indicating that mentioning “sector-focused” will not exclude any sectors but help identify priority areas for the CTCN’s work. Informal informals then convened.

Report of the Adaptation Committee: In informal consultations, Co-Facilitator Le-Anne Roper (Jamaica) heard parties’ reflections on the draft elements of COP and CMA decisions the Co-Facilitators had circulated hours earlier. Parties broadly welcomed the draft as a good starting point.

Several parties expressed interest in reading a conference room paper submission which, due to technical issues, had not been reflected in the draft elements. The Co-Facilitators undertook to incorporate it in a revised text, so parties could engage.

On the draft elements, some sought clarity on which elements would be incorporated in which decisions, noting the draft lumped them together. Views diverged on whether there should be two or three decisions: some preferred two, following the COP and CMA agenda items; others preferred three, highlighting the need for a separate decision on the global goal on adaptation. Several parties reiterated views on: “noting” or “welcoming” the 2019 Adaptation Committee report; conducting meetings primarily in person or virtually; a work programme on the global goal on adaptation; adaptation communications; adaptation focal points; and whether to complete the review of the Committee at COP 26 or COP 27. Informal informals then convened.

Second Periodic Review of the Long-term Global Goal: In informal consultations, Co-Facilitators Frank McGovern (Ireland) and Una May Gordon (Jamaica) introduced draft conclusions. One developing country opposed having the text displayed on the screen.

Several parties underscored the importance of ensuring scientific integrity in the review. Some developing countries called for more balance between the two themes of the review (adequacy of the long-term global goal and progress towards achieving it) and suggested that review should include mitigation, adaptation, finance, capacity building, and technology transfer. Some developed countries suggested that the themes and dialogue should be considered holistically.

A developing country group expressed disappointment that the draft did not reflect all views, particularly on the review assessing Annex I parties’ commitments. They also requested replacing all references to “welcoming” with “noting,” saying that welcoming anything would be premature while the review is still in progress. Revised draft conclusions will be issued.

In the Corridors

Thursday showed that this is a COP like all the others, but also a COP like no other. Negotiations continued as they so often do: Co-Facilitators proposed text and parties provided comments on what they like, and dislike, what’s acceptable and what’s a red line. Next iterations will be issued.

But, of course, the pandemic matters and impacts the well-worn procedures of global diplomacy. Social distancing requirements translate into giant rooms with difficult acoustics—further worsened by ventilation systems rumbling behind Co-Facilitators. And delegates may find themselves sent to the overflow room. As a negotiator for a developing country group stressed today, “this is political, not technical,” as their group’s lead negotiator waited to speak from the overflow room and was nearly left out. In other rooms too, the limits on participation poked old wounds of marginalization and exclusion from the process. The phrases “party driven” and “inclusive” are mainstays of climate discourse because the principles were broken in the past.

The Secretariat issued a revised policy, that each party will have one nameplate (therefore one person) at the table, and each group will also have one nameplate. Anyone else will be directed to the overflow room, perhaps invited back if there are seats 10 minutes after the start. The system confused many. Others wondered why the big plenaries were mostly dedicated for near-empty high-level events while multiple meeting rooms were filled with negotiators and a few observers. One seasoned delegate observed: “it is not often that negotiations seem on firmer ground than the spaces and places in which they occur.”