

Bonn Highlights: Monday, 5 June 2023

The Bonn Climate Change Conference started with a familiar hiccup: an agenda fight. Despite many hours of consultations among Heads of Delegation prior to the opening of the Conference, no agreement had been reached and the start of the Subsidiary Bodies' joint opening plenary was delayed into the afternoon. Ultimately, parties agreed to launch work based on the provisional agendas, with the understanding that consultations will continue and the agendas will be adopted at a later stage.

Opening Statements

Executive Secretary Simon Stiell encouraged parties to "be brave" and prioritize the common good, noting that this also serves national interests. He said discussions on mitigation are key to unlock innovation, which must be used to revise and strengthen nationally determined contributions (NDCs) and long-term strategies. He highlighted that a strong agreement on just transition can enable action, build trust, and drive transformative development.

Sweden, for the EUROPEAN UNION, called for enhanced and immediate transformation of all sectors to reach net zero by 2050. He expressed optimism that developed countries will meet the USD100 billion climate finance commitment in 2023.

Australia, for the UMBRELLA GROUP, urged to keep a clear focus on 1.5°C ahead of COP 28 and called for all greenhouse gases to be included in NDCs, which should also reflect parties' ambitions to reduce and peak emissions by 2025. They also welcomed the United Kingdom to the Group.

Switzerland, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), highlighted that "we are on the brink of missing out on 1.5°C," and reminded participants the upcoming Global Stocktake (GST) is the only iteration providing a chance to avoid an overshoot and adopt a full range of decisions to this end. He called for a mosaic approach to loss and damage funding and reiterated the importance of non-party stakeholder involvement.

Zambia, for the AFRICAN GROUP, said discussions on the Global Goal on Adaptation (GGA) should conclude with a decision that advances the resilience of developing countries. He also stressed: NAPs should be a standing item on the SBI agenda; COP 28 is the "GST COP" and the outcome should help countries implement their NDCs; and a trust fund and work program on just transition should be adopted at COP 28.

Samoa, for the ALLIANCE OF SMALL ISLAND STATES (AOSIS), emphasized the need to ratchet up ambition through the outcome of COP 28 on the GST, MWP, and GGA, and the need to operationalize fit-for-purpose funding for loss and damage, focusing on particularly vulnerable countries.

Senegal, for the LEAST DEVELOPED COUNTRIES (LDCs), underscored that funding is not keeping pace with the growing need for building adaptation capacities in the face of increasingly

extreme climate events. He lamented that loss and damage is being sidelined in the GST discussion and progress on gender equality has been slow.

Bolivia, for the LIKE-MINDED DEVELOPING COUNTRIES, said negotiations must be inclusive, transparent, and guided by the principle of common but differentiated responsibilities. He stressed the importance of balanced texts and reiterated that "our people are suffering from a climate crisis which they have not contributed to." He noted some countries are "playing to the gallery" but not fulfilling pledges.

Costa Rica, for the INDEPENDENT ASSOCIATION OF LATIN AMERICA AND THE CARIBBEAN (AILAC), said the GST is a chance for multilateralism to build a global response to the "pivotal challenge" of climate change and called on the SBs to develop a decision-making roadmap thereon. She called for COP 28 to agree on a fund on loss and damage and stressed the need to step up efforts to eliminate fossil fuels with clear dates.

Saudi Arabia, for the ARAB GROUP, called for balanced work, emphasizing the importance of attention to adaptation, and urged that discussions should not deviate too much from the achievements of COP 27. She reiterated the importance of financial and technological support for developing countries to address climate change and eradicate poverty.

Papua New Guinea, for the COALITION OF RAINFOREST NATIONS, urged for the findings of the IPCC's Sixth Assessment Report to feed into the SBs' work. She highlighted that addressing land-use change poses the most promising and immediate opportunity to achieve reductions in emissions.

South Africa, for SOUTH AFRICA, INDIA, and CHINA (BASIC), noted the importance of the GST in identifying gaps and spurring an enhanced global response. He called for more finance to support developing countries' climate action.

Uruguay, for ARGENTINA, BRAZIL, and URUGUAY (ABU), called for concrete results from the technical dialogue of the GST and a clear mandate on targets and indicators to achieve the GGA.

Venezuela, for the BOLIVARIAN ALLIANCE FOR THE PEOPLES OF OUR AMERICA (ALBA), stressed that loss and damage funding must be predictable, adequate, and stem mainly from public funds. She urged a climate justice, rights-based approach to just transition and emphasized the need for non-market based approaches to strengthen implementation, while avoiding "unilateral coercive" measures that restrict development.

The INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC) highlighted the robust scientific knowledge contained within the reports of the sixth assessment cycle.

The WORLD METEOROLOGICAL ORGANIZATION (WMO) stated there is a 66% chance the world will temporarily exceed 1.5°C due to the effects of El Niño.

The INTERNATIONAL MARITIME ORGANIZATION (IMO) highlighted maritime transport's indispensable role in global trade and highlighted their efforts to develop measures and

solutions to the industry's contribution to air pollution and climate change, and support island states and developing countries.

WOMEN AND GENDER, emphasizing that there is "no climate justice without gender rights," highlighted the need to support care work and social protection and called on parties to "ensure a full, fair fossil fuel phaseout."

YOUTH NGOS (YOUNGO) underscored that, *inter alia*: visa issues have reduced youth participation in the SBs; delayed action is shifting the burden to frontline communities and future generations; climate finance goals must "get out of the UNFCCC silo"; and the IPCC must be shielded from the influence of polluters.

Business and Industry NGOS (BINGO) called for scaling up mitigation ambition, leaving Bonn with a "robust text" on Article 6, and setting an ambitious goal that would "supercharge" climate finance.

Environmental NGOS (ENGO) stressed that a "legitimate COP is a fossil fuel-free COP" and called for rapid, real emission cuts based on the principles of justice and equity, rather than relying on mechanisms such as carbon markets and geoengineering.

INDIGENOUS PEOPLES called for: real emissions reductions at the source and rapidly phasing out fossil fuels rather than carbon offsets; prioritizing prevention in loss and damage mechanisms; and not combining their group with local communities.

LOCAL GOVERNMENTS AND MUNICIPAL AUTHORITIES (LGMAs) called attention to a local community that has conducted its own equivalent of a global stocktaking process.

RESEARCH AND INDEPENDENT NON-GOVERNMENTAL ORGANIZATIONS (RINGOs) stressed the need for the GST to follow a science-led approach and include science that is generated in the Global South.

TRADE UNION NGOS (TUNGOs) called for including stakeholders in discussions to ensure there is a just transition, and clear and ambitious conclusions from the GST, including for a structured exit from fossil fuels.

Subsidiary Body for Implementation

In opening remarks, SBI Chair Nabeel Munir (Pakistan) recalled that climate change already impacts millions of people every day, underscoring "they cannot wait for agendas to be adopted and for leaders to agree on declarations." He urged all parties to ramp up ambition, in accordance with the principles of the Convention and the Paris Agreement.

Organizational Matters: Adoption of the agenda: Chair Munir pointed to consultations with groups and parties on the agenda, both ahead of the meeting and throughout the morning. He noted there is no agreement, but parties converged on launching work on the basis of the supplementary provisional agenda (FCCC/SBI/2023/1/Add.1) with the understanding that consultations will continue and the agenda will be adopted at a later stage.

Organization of work: A contact group will convene on budgetary matters.

Informal consultations will convene on:

- Reporting from non-Annex I parties: Provision of financial and technical support;
- Reporting and review pursuant to Article 13 of the Paris Agreement: provision of financial and technical support to developing country parties for reporting and capacity-building;
- Trust Fund for the Clean Development Mechanism;
- Matters relating to LDCs;
- Linkages between the Technology Mechanism and the Financial Mechanism of the Convention;

- Second review of the functions of the Standing Committee on Finance;
- Matters relating to capacity-building; and
- National adaptation plans.

Matters relating to the Adaptation Fund was deferred to SBI 59. The SBI Chair will conduct consultations on the following

items:

- Arrangements for intergovernmental meetings;
- Reporting from and review of Annex I parties; and
- Reporting from non-Annex I parties.

BRAZIL stressed the need for information from the consultations on Annex I reporting and review for the GST.

The US stressed the importance of the summary reports on the technical analysis of biennial update reports of non-Annex I parties for the GST.

BRAZIL said the consultations on Annex I and non-Annex I reporting should be separate consultations. The SBI agreed.

Matters relating to the least developed countries: During the opening plenary, the LDC Expert Group (LEG) reported on its work (FCCC/SBI/2023/7) and encouraged LDCs to make use of the 41 rostered experts.

Administrative, financial and institutional matters: In plenary, on budgetary matters, UNFCCC Executive Secretary Stiell highlighted that three budget scenarios have been presented: 0% nominal growth, which would result in a reduction of the Secretariat's budget in real terms; actual needs, which is based on existing mandates and would result in a doubling of the budget; and a proposed budget, which would result in 16% net growth. Stiell said reliance on supplementary funds results in unpredictable and insufficient funding for the Secretariat. He also called attention to the fact that parties are in arrears by EUR30 million.

SWITZERLAND said the level of arrears is unacceptable. Stressing the need for transparency on this issue, he requested a list of countries who have been in arrears for over two years.

On the continuous review of the functions and operations of the secretariat, UNFCCC Senior Director Chhaya Kapilashrami delineated actions taken upon the recommendation of the board of auditors, including new delegation of authority, and a review of ICT controls and synergies to be established among existing tools. Parties agreed to this proposal.

On Implementation of the Headquarters Agreement, Kapilashrami thanked the German government and city of Bonn for their support and pointed to the issue of visa issuance for participants hoping to attend the SBs, with GERMANY noting it is working with its embassies to address these issues. Delegates agreed to further consider the issue at future SBI sessions.

On the UNFCCC annual report, parties took note of the report (FCCC/SBI/2023/9).

Reporting and review pursuant to Article 13 of the Paris Agreement: Provision of financial and technical support to developing country Parties for reporting and capacity-building: In informal consultations, Co-Facilitator Sandra Motshwanedi (South Africa) recalled the SBI decided to continue consideration of this matter at SBI 58 with a view to recommending a draft decision for consideration and adoption by CMA 5. She pointed to submissions received intersessionally and invited parties' views. One developing country group pointed to restrictions to the allocation of financial support, noting these foster the commissioning of external consultants rather than in-country capacity building. Another developing country group called for a rolling approach to avoid interruptions between individual support cycles. Parties also discussed the importance of building capacity to use the new reporting tool, with several developed countries noting this is not specific to developing

countries and one developed country expressing concerns that the tool's development is lagging due to budgetary constraints. Parties mandated the Co-Facilitators to prepare an informal note, with one developing country group underscoring parties generally agree on what the challenges are but diverge on what solutions to opt for.

Reporting from non-Annex I parties: Provision of financial and technical support: Informal consultations were co-facilitated by Eve Deakin (UK). Noting commonalities with the agenda item on the provision of support for developing country reporting under the Paris Agreement (SBI agenda item 5), parties suggested cross-references or mirroring text, where appropriate. One developing country group noted discussions should inform the negotiations on the provision of guidance to the Global Environment Facility (GEF).

Arrangements for intergovernmental meetings: In a contact group session, the United Arab Emirates (UAE), as the incoming COP 28 Presidency, briefed delegates about preparations for the Dubai Climate Change Conference. In response to an inquiry from Bhutan, for the LDCs, on concerns about accommodation costs, the UAE indicated it has launched an accommodation portal and is setting hotel prices to avoid price surges. She said 140,000 rooms are available in Dubai. Delegates also discussed potential locations for future COPs, including COP 30 hosted by Brazil in the Amazon. Both Australia and Türkiye indicated they may bid to host COP 31. Slovenia confirmed the Eastern European group will hold deliberations during SB 58 on the host for COP 29.

Subsidiary Body for Scientific and Technological Advice

SBSTA Chair Harry Vreuls (the Netherlands) opened the meeting on Monday, 6 June 2023.

Organizational Matters: Adoption of the agenda: Pointing to the approach agreed to under the SBI, Chair Vreuls noted parties agreed to launch work on the basis of the provisional agenda (FCCC/SBSTA/2023/1) and conduct further consultations with a view to adopting the agenda.

Organization of work: A contact group will convene on the work programme under the framework for non-market approaches referred to in Article 6.8 of the Paris Agreement.

Informal consultations will convene on:

- Nairobi work programme on impacts, vulnerability, and adaptation to climate change;
- Research and systematic observation;
- Methodological issues under the Convention: Greenhouse gas data interface;
- Emissions from fuel used for international aviation and maritime transport;
- Guidance on cooperative approaches referred to in Article 6.2, of the Paris Agreement; and
- Rules, modalities, and procedures for the mechanism established by Article 6.4 of the Paris Agreement.

Joint SB contact groups will convene on:

- Matters relating to the global stocktake under the Paris Agreement; and
- Matters relating to the forum on the impact of the implementation of response measures.

Joint informal consultations will convene on:

- Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation;
- Matters relating to the Santiago network under the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts;
- Work programme on just transition pathways referred to in decision 1/CMA.4, paragraphs 50–52;

- Sharm el-Sheikh joint work on implementation of climate action on agriculture and food security; and
- Sharm el-Sheikh mitigation ambition and implementation work programme.

Cooperation with other international organizations: The SBSTA took note of the report (FCCC/SBSTA/2023/INF.1). SBSTA Chair Vreuls will consult parties on preparing draft conclusions.

Annual report on the technical review of greenhouse gas inventories of Annex I parties: The SBSTA took note of the reports (FCCC/SBSTA/2022/INF.3, FCCC/SBSTA/2021/INF.4, and FCCC/SBSTA/2020/INF.3).

Guidance on cooperative approaches referred to in Article 6.2 of the Paris Agreement: In informal consultations, co-facilitated by Peer Stiansen (Norway) and Maria Al-Jishi (Saudi Arabia), discussions focused on parties' feedback on, among others, outcomes of an intersessional workshop on the agreed electronic format (AEF) for annual information, and preparation of the reporting on elements to be listed in the initial report.

Several parties called for prioritizing completion of the AEF and addressing the inconsistencies between the national and international registries for recording and tracking under the mechanism. Others proposed drafting a manual on the AEF as well as on biennial transparency report (BTR) tables, to improve understanding of the process. Several parties highlighted the effectiveness of the intersessional workshops and suggested that more workshops be planned in the future, particularly on testing the draft version of the AEF and operationalizing the Article 6 database. Others noted challenges related to virtual workshops.

Mandated Events and Other Sessions

SBSTA–IPCC special event on the findings in the Synthesis Report of the Sixth Assessment Report of the IPCC: IPCC Chair Hoesung Lee stressed that the present pace and scale of climate action are insufficient, with much deeper cuts in emissions necessary to achieve the goals of the Paris Agreement. IPCC authors underscored that the Sixth Assessment Report emphasizes, *inter alia*: half the world's population—3.3 to 3.6 billion people—live in contexts highly vulnerable to climate change; many people, such as farmers in low-lying coastal areas, are experiencing soft limits to adaptation; and without deeper mitigation, warming is likely to reach 1.5°C in the near term. During question and answer sessions, IPCC authors stressed unequivocal evidence that human activities are fueling climate change, which has reached 1.1°C over 1850–1900 levels.

In the Corridors

Heads of delegation quickly rolled up their sleeves once they arrived in Bonn: without time to settle in, they jumped right into debates over the meeting agendas. But neither the Sunday evening talks nor the continued consultations throughout Monday morning brought agreement. A seasoned delegate even shared that the list of issues over which parties disagree had grown. "That's what you get when you catapult something into the cover decisions without much discussion," noted one of her colleagues, pointing to the just transition work programme established at COP 27.

The threat of an agenda fight spilling into plenary had delegates split. Some hoped to draw parties out from under their covers: "let those opposing negotiations on the mitigation work programme say so publicly." Others applauded the workaround reached through informal channels to open work in the Subsidiary Bodies while continuing the agenda discussion on the side, which allowed the conference to get underway, albeit several hours after the original starting point.



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