Dubai Climate Change Conference: Tuesday, 5 December 2023

Negotiations convened for most issues in all negotiating formats as delegates tried to resolve outstanding issues and/or prepare texts for ministerial engagement before the Subsidiary Bodies close.

Mitigation

Work Programme on Just Transition Pathways: Informal consultations, co-facilitated by Selam Abeb (Ethiopia) and Luisa Roelke (Germany), reconvened to hear an update from informal informal consultations where parties had discussed a streamlined draft CMA decision to try to better understand various options and identify potential areas for further streamlining. Parties discussed views on the timeline, institutional arrangements and modalities, interlinkages, and outcomes of the work programme. Noting that objectives and scope have not yet been discussed, and negotiations would be required to find common ground, parties requested more time to consult in informal informals.

Matters Relating to Article 6: Guidance on Article 6.2 (cooperative approaches): During informal consultations co-facilitated by Maria AlJishi (Saudi Arabia) and Peer Stiansen (Norway), parties continued their consideration of draft decision text. They provided their input on the sections dealing with the application of first transfer, tables for submitting annual information as part of the regular information, agreed electronic format, and common nomenclature. The draft text contains several options for the various elements, and parties continued conveying their preferred options. Informal consultations will continue.

Guidance on Article 6.4 (mechanism): In informal consultations under the SBSTA, co-facilitated by Kate Hancock (Australia) and Sonam Tashi (Bhutan), parties continued sharing views on draft CMA decision text, relating to sections on the Article 6.4 mechanism registry, authorization of Article 6.4 emissions reductions (A6.4ERs), and other matters.

On the registry, parties expressed different preferences regarding references to the transfer of authorized A6.4ERs between, and interoperability of, the mechanism registry and the international and party registries.

On authorization, relating to the timing of statements of authorization, parties supported either at registration, before submission of the first request for issuance of the A6.4ERs, or at any time. Some expressed reservations relating to paragraphs specifying the content of the statement.

On other matters, on text requesting the Supervisory Body to develop recommendations on national arrangements for the mechanism, many parties indicated this was not a priority issue for CMA 5.

The Co-Facilitators informed parties they would seek a time slot for further informals.

In informal consultations under the CMA, co-facilitated by Sonam Tashi (Bhutan) and Kate Hancock (Australia), parties exchanged views on the annual report of the Article 6.4 Supervisory Body (FCCC/PA/CMA/2023/15 and Add.1), and on the Supervisory Body’s recommendations on requirements for methodologies and on activities involving removals.

Many parties welcomed the report and improved inclusiveness in the Supervisory Body’s work, but highlighted as crucial, remaining areas of work, inter alia: the Article 6.4 sustainable development tool; a procedure for appeals and grievances; methodological guidance on baselines, additionality, and leakage; and guidance on removals, including on post-crediting monitoring, and avoidable and unavoidable reversals.

Parties then indicated their concerns with the methodologies and removals recommendations, with many identifying shortcomings in the removals section, including in relation to: determining the consequences of a failure to monitor; defining “reversals”; an absence of references to social and environmental safeguards and human rights; responsibilities of parties relating to reversals; and natural removals-specific guidance.

One group said it did not consider that it could approve the removals recommendations, while others called for endorsing both sets of recommendations while providing clear guidance to the Supervisory Body on areas where it should continue work before the guidance is “fit for purpose.” Informal consultations will continue.

Non-market approaches (NMAs, Article 6.8): In the contact group, Co-Chairs Jacqui Ruesga (New Zealand) and Kristin Qui (Samoa) invited parties’ views on the draft CMA decision. Discussions focused on references to carbon pricing, the Global Stocktake (GST), and a readiness programme.

On carbon pricing, the LIKE-MINDED GROUP OF DEVELOPING COUNTRIES (LMDCs), COALITION FOR RAINFOREST NATIONS (CRFN), INDEPENDENT ASSOCIATION OF LATIN AMERICA AND THE CARIBBEAN (AILAC), ARAB GROUP, and LEAST DEVELOPED COUNTRIES (LDCs) opposed inclusion of carbon pricing as a non-market approach. The EU supported the reference, observing that levies and taxes are economic, but not market, instruments.
AILAC queried the inclusion of results-based payments. The LMDCs also called for deleting a reference to nature-based solutions.

On the GST, the LMDCs, ARAB GROUP, and AILAC suggested deleting references, with AILAC noting that the Article 6.8 work programme already has a forward-looking mandate.

On a readiness programme, the EU opposed the proposal, noting the CMA 4 compromise for a capacity-building programme and existing support within the Financial Mechanism. The ARAB GROUP and LMDCs stressed the importance of the programme. The LDCs suggested that the programme should fill existing gaps, noting the need for consistency with Articles 6.2 and 6.4.

There was broad agreement that the Secretariat should not undertake an approval process for recording NMA approaches in the UNFCCC web-based platform. Informal consultations will continue.

Clean Development Mechanism (CDM) Trust Fund Review:
During the informal consultations, Co-Facilitators Kate Hancock (Australia) and Sonam Tashi (Bhutan) invited parties to share their views on what they would like to see in the draft text. The main focus was what to do with residual resources held within the CDM Trust Fund. Parties considered where the resources should be reallocated to, with the three main proposed options being: the Adaptation Fund; Article 6 capacity building; or Article 6.2 infrastructure.

Several parties noted links between discussions here and CMP discussions about the future of the CDM and the level of funds the CDM Executive Board will require to operate for the rest of the life of the CDM. Some parties, while expressing their choice for use of the residual resources, preferred to wait to make a decision until more clarity about how much the CDM Executive Board requires until the termination of the CDM. Others called for identifying how much can be safely transferred for these other purposes without impacting the CDM Executive Board’s continued operation, and then adopting a decision at this session to transfer those funds.

On the use of the resources, one developing country group supported transferring all residual resources to the Adaptation Fund. One developed country party underlined that the Trust Fund was set up for the use of a UNFCCC market mechanism and that purpose should be maintained by transferring residual funds for use under Article 6. Another developing country group said most of the residual funds should be transferred to the Adaptation Fund, but with some allocated for Article 6 capacity building. One developing country group noted that previous amounts transferred both for Article 6 capacity building and for the Article 6.4 mechanism remain largely unspent and opposed any further transfers to Article 6. She however supported allocating some funds for Article 6.2 infrastructure, but only as a loan.

One developed country group called for funds to be transferred for Article 6.2 infrastructure such as the international registry and Centralized Accounting and Reporting Platform (CARP), and supported making the decision at this session.

Several parties identified the Adaptation Fund and the Article 6.2 infrastructure as the most urgent purposes, although views remained divergent as to which purpose was the appropriate use of the residual resources.

Adaptation
Glasgow–Sharm el-Sheikh Work Programme on the Global Goal on Adaptation: In informal consultations, Co-Facilitator Janine Felson (Belize) pointed to new text circulated hours earlier and said the Co-Facilitators heard parties’ views, but could not in good conscience unleash a “slew of text,” considering the time remaining. They emphasized it was not a “take it or leave it” text, and sought parties’ comments.

Several groups and parties expressed concern that the new draft was circulated very late, leaving them no time to reflect, much less coordinate. Some parties noted the new text had very little difference from the previous one.

Several parties asked for another informal consultation in the afternoon of Wednesday, 6 December, the scheduled time for the SBs to close. Other parties opposed this, saying this would mean nothing would be forwarded from the SBs, and stressed this would not be constructive.

Several groups reiterated key elements they wanted in the text. A group raised a point of order, requesting adjournment, saying they were not ready to engage on text. Noting several parties had requested the floor, the Co-Facilitators clarified they would hear general views, but not textual proposals.

Informal consultations continued in the evening.

Report and review of the Adaptation Committee (AC):
In informal consultations, Co-Facilitator Roberta Ianna (Italy) informed parties that this was the final consultation and, failing agreement, consultations would have to continue at SB 60 (June 2024).

Parties diverged on how to move forward, whether to consider the text paragraph by paragraph or in clusters, and whether to work from the top of the document to the bottom or bottom-up.

A developing country group noted the draft decision should only refer to the COP, considering the CMA to be without a mandate to conduct a review of the AC’s work. A developed country disagreed, noting the AC also serves the Paris Agreement and considered a CMA decision appropriate. Textual proposals ensued.

Several parties urged finishing consideration of at least the AC report, opposed by two developing country groups that preferred to resume consideration of the entire agenda item at SB 60 if consideration of the review is unfinished. The Co-Facilitators will consult on the way forward.

National Adaptation Plans: In informal consultations co-facilitated by Antwi-Boasiako Amoah (Ghana) and Jens Fugl (Denmark), parties exchanged textual proposals on the draft text elements proposed by the Co-Facilitators.

A developing country group, supported by another, reiterated proposed language urging developed countries to urgently and significantly scale up their provision of climate finance, technology, and capacity-building support for adaptation, responding to the needs of developing countries. Several developed countries opposed.

Developed countries also opposed developing countries’ proposed bridging language relating to requests for the AC and the LDC Expert Group (LEG) to continue collaborating with Constituted Bodies and other stakeholders.

A developing country group proposed bridging language on references to traditional knowledge, the knowledge of Indigenous Peoples, and local knowledge systems as part of “best-available science,” which several parties supported. The entire phrase referring to best-available science remained bracketed.

Informal consultations continued in the evening.

Global Stocktake
The First Global Stocktake (GST): In the contact group, co-chaired by Alison Campbell (UK) and Joseph Teo (Singapore),
parties shared their views on the new iteration of the draft “tool.” All countries welcomed the text, said there were some further options to be included, and expressed the desire to get it ready for ministerial engagement during the second week of the conference.

The US, the AFRICAN GROUP, CANADA, and the LMDCs suggested restrained, surgical insertions during an informal consultation. KYRGYZSTAN suggested adding mountains in the adaptation section, and BOLIVIA called for greater balance between Articles 6.2, 6.4, and 6.8, and inclusion of Article 5 (forests).

AILAC, the LDCs, the AFRICAN GROUP, EIG, the EU, and AOSIS, noted with concern that the section on guidance on the way forward was still only bullet points and suggested prioritizing discussions on this section. Co-Chair Teo welcomed parties’ engagement on this section, noting that the bullet points contain many ideas presented at this session for the first time.

Parties agreed to hold further informal consultations to suggest additions to the text, then to meet in informal informal consultations to discuss guidance on the way forward.

**Finance**

**Long-term climate finance:** In informal consultations, Co-Facilitator Gard Lindseth (Norway) invited parties’ views on the revised draft text. Several developing country groups observed that some of their key concerns were not reflected, and especially opposed language on the USD 100 billion commitment likely being met. One group emphasized addressing shortfalls from previous years.

Many developed countries also reiterated opposition to various paragraphs, including those related to burden sharing and the 2023 Oxfam Climate Finance Shadow Report. They also called for removing reference to the new loss and damage fund, with some indicating it will be addressed under the GST. Several developing countries objected to the new loss and damage fund being referred to as the “climate response fund.”

Parties also debated language on the connection between support and ambition, with one group considering that support is an incentive but not a prerequisite for ambition. The Co-Facilitators will revise the draft text.

**New Collective Quantified Goal on Climate Finance (NCQG):** In informal consultations, Co-Facilitator Gabriela Blatter (Switzerland) requested feedback on revised draft text. Countries agreed it was a good basis and provided the Co-Facilitators with a mandate for further streamlining.

Several groups prioritized specifying the process for 2024 over substance, while a few developed and developing countries called for some engagement on substantive elements. One country drew a line against including areas he deemed outside the mandate of the group, particularly Article 2.1(c) (on aligning financial flows with low-GHG emissions and climate-resilient development).

Several supported that the 2023 Co-Chairs of the ad hoc work programme remain in place for 2024, but one group noted the importance of regional rotation. Several said the current text “micromanages” the 2024 Co-Chairs.

The Co-Facilitators will revise the text based on clarifications provided by parties on their options. Discussions on process-related sections of the draft text will continue.

**Report of, and guidance to, the Global Environment Facility (GEF):** Discussions opened in informal consultations under the COP and CMA, co-facilitated by Marine Lannoy (France). Parties agreed to first address elements in draft CMA decision text on support for developing country reporting, noting interlinkages with the relevant discussions under the SBI. Based on discussions among some groups under the SBI, some suggested language requesting the GEF to assess how best to: support sustainable institutional capacity building in national governments; streamline processes to enable parties to use a portion of their System for Transparent Allocation of Resources (STAR) allocation to supplement their Biennial Transparency Report (BTR) support; and ensure the timely delivery of support.

Several developing country groups underscored the urgency of enhanced support for the first BTR cycle. They also underscored the GEF’s cost assessment process for BTR preparation was not inclusive and led to a significant underassessment of real costs, urging for an inclusive updating. Several parties emphasized addressing the overconcentration of implementing agencies and enhancing coverage in SIDS and LDCs.

The Co-Facilitators invited submissions and will revise the draft text.

**Report of, and guidance to, the Green Climate Fund (GCF):** In informal consultations under the COP and CMA, Co-Facilitator Richard Muyungi (Tanzania) invited those parties who had requested the floor during the previous session to make their statements on the draft text. Comments related to the Fund’s regional presence in SIDS, and the operationalization of a simplified approval process, among others.

One developing country suggested requesting the GCF to support the interim secretariat of the new loss and damage fund. Several developing and developed countries emphasized the need to foster a programmatic approach, including to increase the attractiveness for implementing agencies to engage in small countries. The Co-Facilitators will revise the draft text.

**Matters relating to the Adaptation Fund (AF):** In informal consultations, Co-Facilitators Diann Black-Layne (Antigua and Barbuda) and Louise Rousseau (France) invited views on draft CMP and CMA decisions. Parties shared preliminary views, suggesting the deletion of various paragraphs, mostly to avoid micromanaging and preempting the AF Board’s discussions. The Co-Facilitators invited submissions and will revise the draft texts.

**Compilation and Synthesis of, and Summary Report on the In-Session Workshop on, Biennial Communications of Information under Paris Agreement Article 9.5:** In informal consultation, Co-Facilitator Kelly Sharp (Canada) invited views on draft CMA and COP decision text. Many comments related to language on which countries are addressed in specific provisions and how, with some recalling that developed countries shall report under Article 9.5, while others are encouraged to do so voluntarily.

Several developed countries objected to a developing country group’s proposal for a process for reviewing ex-ante information, including regarding its alignment with ex-post information. One country underscored the different levels of detail of both types of information, with another emphasizing changes resulting from discussions with recipients about their needs and priorities. With the proponent emphasizing the importance of review, one party noted that ex-post information undergoes a review, and remarked that parties could not agree on a review of nationally determined contributions.

Several developed countries underscored the COP decision should not go into substance, but rather take note of the CMA decision. One party recalled that the reason there is a COP item on the matter was parties’ desire for a safeguard in case a Paris Agreement party that would have reported under Article 9.5 leaves the Agreement. The Co-Facilitators will revise the text.
Technology Development and Transfer
Joint Annual Report of the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN): In informal consultations, parties reported back on the results of their informal informal consultations. Sticking points included how to reference the financial and fundraising challenges experienced by the CTCN without using language that could exacerbate the challenges, and ways of enhancing technical and logistical support for national-level coordination between national designated entities for the GCF and GEF operational focal points. Informal consultations continued into the evening to bring draft decisions closer to an agreed text.

Response Measures
Matters Relating to the Forum on the Impact of the Implementation of Response Measures serving the Convention, the Kyoto Protocol, and the Paris Agreement: In informal consultations co-facilitated by Peter GovindaSamy (Singapore), parties could not agree to review the text due to scheduling conflicts with the consultations on the Just Transition Pathways work programme. Informal consultations reconvened in the evening.

Agriculture
Sharm el-Sheikh Joint Work on Implementation of Climate Action on Agriculture and Food Security: In informal consultations, co-facilitated by Annela Anger-Kraavi (Germany) and Una May Gordon (Jamaica), parties reviewed draft conclusions comprising a lengthy compilation text containing annexes with the roadmap and workshop ideas. The Co-Facilitators also presented procedural conclusions, noting these could be used should parties not reach agreement.

Parties completed a first read-through of substantive draft conclusions, with parties providing multiple options for inclusion in the text. With few points of convergence and annexes still to be negotiated, informal informal consultations will continue.

Science and Review
Research and Systematic Observation: In informal consultations, parties discussed the revised draft decision prepared by Co-Facilitators Elizabeth Bush (Canada) and Patricia Achiong Nying’uro (Kenya). Out of nine paragraphs, parties reviewed seven and agreed on four.

Areas of disagreement mostly related to the outcomes of the 19th session of the World Meteorological Congress. Several parties said that calling 2023 the hottest year on record is speculative. The same parties preferred to note, instead of welcome, the Global Greenhouse Gas Watch initiative and key outcomes of the session, and opposed highlighting the initiative and prioritization of the Early Warnings for All initiative, among other outcomes. Many opposed, stressing that referencing 2023 is crucial to indicate urgency. Hesitant to lose the progress made, parties agreed to additional informal consultations.

Social Considerations
Gender: During informal consultations, co-facilitated by Angela Ebeleke (Democratic Republic of the Congo) and Marc-André Lafrance (Canada), parties deliberated on draft decision text. Emphasizing the role that women play in climate action, there was broad consensus on including references to “Indigenous women and women from local communities” in the text. One developed country opposed the inclusion, stating it is important to not highlight any specific group of women. After a lengthy debate, parties agreed to remove the phrase from the text, along with several paragraphs taking note of the reports.

Expressing disappointment at the final version of the text, many developed and developing countries lamented the non-inclusion of the proposal, characterizing it as a step back from what they hoped to achieve in Dubai. Nonetheless, parties welcomed the draft text as an opportunity to advance work. The Co-Facilitators will forward the draft decision to the SBI for its consideration.

Matters relating to Action for Climate Empowerment (ACE): In informal consultations convened by Co-Facilitators Pemy Gasela (South Africa) and Arne Riedel (Germany), delegates worked to reach consensus on draft text, with a majority of the paragraphs “green-lit” during the session.

A lengthy discussion ensued after developing countries introduced an alternative formulation for the areas of focus for the 2024, 2025, and 2026 ACE Dialogues. The proposal added language on financial needs, as well as a mid-term review with time allocated to discuss financial needs and gaps. A few developed countries stated they would like to see references to finance replaced with “support” and disagreed with prejudging any potential needs or gaps, which developing countries strongly opposed. A bridging proposal was presented and the paragraph will be revisited after parties have had time to confer.

In the Corridors
It’s the day before what’s looking to be a long final day for the Subsidiary Bodies. They close on Wednesday, 6 December, meaning that negotiations across the board were scheduled and rescheduled. For discussions to select a host for the Santiago Network, an agreement seems close at hand. Gender reached an agreement, although few seemed pleased. But they are largely outliers.

In research and systematic observation and the Adaptation Committee, the specter of Rule 16 looms. It signals that no agreement could be reached at all. Negotiators on agriculture, response measures, and the Global Goal on Adaptation continued discussions to try to overcome entrenched disagreements. Article 6.4 had “merely started,” in the words of one observer. At least in finance, one Co-Facilitator observed that “everyone seems equally unhappy, as always at this stage.”

For some issues, it’s a matter of getting texts in shape for political engagement. GST negotiators expected to “be here all night” to prepare a text to be forwarded to ministers. The current version is replete with options—89 and more to come—and the crucial section on how to take the GST’s messages forward is a compilation of options and 29 bullet points. In informal informal all day, the just transition work programme talks seemed far from their goal to define, let alone refine, some options that delegates were comfortable sending to the ministers.

The mood was nervy. One negotiator blankly stated “everyone is in the dark” on the process for the second week. Another worried negotiator said once the texts are handed to the Presidency “the process becomes a little bit unclear at that point,” joined by another who “wanted to preserve the progress we’ve made.” The finance negotiators even heard one group call for “protecting the Presidency” to ensure it can focus on the many issues that will require its engagement.

The Presidency will likely convene a stocktaking session after the Subsidiary Bodies close. Several hoped this will be worth staying up late for.