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Dubai Climate Change Conference: Sunday, 10 December 2023

Finance negotiators met for a good part of the day to churn out draft decisions on various issues while other negotiators met in informal consultations on response measures and the Santiago Network. Most eyes were on the Presidency's Majlis, however. Although not replete with concrete proposals, the discussions certainly saw some olive branches extended.

Mailis

President Al Jaber emphasized the objective of the Majlis is to foster "heart to heart" discussions. Noting it would not accept a watering down of ambition, he urged everyone to be flexible, think about the common good rather than their self-interest, and come forward with recommended language on the outstanding issues.

Adnan Amin, COP 28 CEO, invited ministers to focus on two questions: how to build transformative ambition on mitigation while addressing just and equitable transitions and corresponding support requirements; and how to credibly tackle the gap in adaptation finance and action.

The EUROPEAN UNION noted the necessary peaking of global emissions by 2025 and rapid reduction of all emissions should happen through a range of measures, including cutting down fossil fuels. He acknowledged the transition will constitute a challenge for both producers and consumers, and therefore a balance of measures is required to support the transition. He noted the EU's readiness to work with partners to find such a package, noting abatement technology should be reserved for the hardest to abate sectors. He said many developing countries will need support, capacity building, and technology.

SPAIN emphasized delivering on adaptation and resilience, both by increasing public adaptation finance and enhancing the role of multilateral development banks. She noted this COP could address the issue of increased indebtedness.

COLOMBIA called for considering who has the power and where the power is to take decisions. She stressed the importance of mechanisms to achieve the UNFCCC's goals, highlighting that tripling renewable energy will be difficult for those who cannot access capital at 5% interest rates and calling for a new economic

Switzerland, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), stressed the need to develop guidance for the nationally determined contributions (NDCs) that will be presented in 2025. He opposed any differentiation that is not found in the

Paris Agreement and stressed the importance of rooting outcomes in human rights, gender equality, and intergenerational equity.

CHINA said the "first batch of runners" should run faster and help the latecomers to push forward and deliver the needed average speed to reach the objectives of the Paris Agreement.

TUVALU highlighted the need for enhanced climate finance, including a doubling of adaptation finance.

GERMANY acknowledged it is not easy to increase renewable energy and phase out coal. She however underscored that it is not good enough to talk about fossil fuel emissions, rather than a fossil fuel phase out, and emphasized her belief in a joint solution, inviting discussions on language that is in line with the 1.5°C target.

JAPAN acknowledged differences among parties, noting every country must do its best to reduce GHG emissions and that countries with the ability to do so must provide financial support and technology transfer, noting Japan would do its utmost in this regard. He also emphasized doubling the collective provision of adaptation finance as a priority.

Bolivia, for the LIKE-MINDED DEVELOPING COUNTRIES (LMDCs), urged addressing hypocrisy, lies, and injustice, calling out developed countries for twisting the concept of climate justice by shifting their obligations to developing countries in the name of achieving the 1.5°C goal.

BANGLADESH called for empathy from developed countries, and for their leaders to put themselves in the shoes of those living in vulnerable countries like Bangladesh or Tuvalu. He emphasized the need for political will and trust to achieve progress.

Samoa said the ALLIANCE OF SMALL ISLAND STATES (AOSIS) cannot leave COP 28 without the highest ambition in the GST, and that the group would like to see the phase-out of fossil fuels and related subsidies.

NORWAY said the GST provides a test for whether we are delivering on the Paris Agreement. He also noted that not all countries' emissions have to peak by 2025 but our collective emissions do need to peak by then.

IRELAND emphasized the need to: de-risk action; find new sources for innovative financing; and phase out the financing of fossil fuels.

CHILE highlighted the importance of mitigation to limit global warming to 1.5°C, adaptation, minimizing loss and damage, and increased finance, pointing out that the finance needed to achieve a 1.5°C world will be much less than to adapt to a 2°C world.

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SAUDI ARABIA expressed concern with attempts to attack specific energy sources rather than focusing on emissions. Regarding the peaking of emissions, he noted the need to differentiate between developed and developing countries, strengthen means of implementation, and scale up all lowemissions technologies.

BRAZIL emphasized that mitigation and adaptation must be linked to transform the development models that caused climate change in the first place. She underscored everyone needs to act, emphasizing the need to fairly share economic and technological means.

The UK highlighted the importance of adaptation, noting developed countries must deliver on adaptation finance. Recognizing that not everyone moves at the same pace, and that means of implementation are important, he urged phasing out fossil fuels and expressed hope to find common language and landing points, including on the phase-out of fossil fuels.

SOUTH AFRICA said her country has received less than 10% of the support needed to implement its ambitious NDC, and noted there is no ambition gap, but rather a means of implementation gap.

The MARSHALL ISLANDS recalled that, if nothing is done by 2040, citizens in his country will be forced to relocate, which means abandoning their homes, culture, and ancestors.

AUSTRALIA emphasized aligning NDCs with the 1.5°C target, tripling renewable energy, doubling energy efficiency, and ensuring fossil fuels have no ongoing role.

The FEDERATED STATES OF MICRONESIA stressed the need for urgent action on non-carbon dioxide gases, particularly methane, as a matter of equity and justice.

IRAQ refused references to phase down or phase out of fossil fuels and fossil fuel subsidies as contrary to the Paris Agreement.

FRANCE emphasized the need to attract as much resources as possible for the countries that lack them to achieve climate goals, emphasizing that work on Paris Agreement Article 2.1(c) (on aligning finance flows) is not a distraction, but essential. She urged a strong message on fossil fuels and using the finance package to address mitigation and adaptation issues.

CUBA lamented that current negotiation texts continue to display an imbalance in the treatment of adaptation and mitigation, and that in the mitigation text, common but differentiated responsibilities and respective capabilities (CBDR-RC) is being diluted or undermined. She called for doubling adaptation finance, the GST outcome to include equity, and the just transition text to recognize different pathways based on countries' individual capacities.

The PHILIPPINES stressed four issues that must be addressed: commitment, compliance, creativity, and climate finance. He emphasized the need to scale up capacity building and technology transfer, and to work together on the Global Goal on Adaptation (GGA).

COSTA RICA underscored the need to accelerate action to achieve the 1.5°C goal. He observed the links between mitigation and adaptation actions, especially in the forest sector, and called for climate finance to recognize the multiple benefits of these actions

President Al Jaber concluded the event and suggested calling the group the "Changemakers Majlis." He pledged to manage the process with full transparency and called for participants to deliver an ambitious outcome.

Adaptation

Work Programme on the Global Goal on Adaptation: In a heads of delegation consultation open to observers, COP 28 CEO Adnan Amin invited views on the text developed by the Chairs of the Subsidiary Bodies. Several groups and parties said the text would need considerable work, but all viewed it as a basis for negotiations.

On overarching issues, while some developed countries noted all parties should undertake adaptation, several developing country groups urged that the text refers more consistently to developing countries. The INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC) recalled that Paris Agreement Article 7.2 describes adaptation as a global challenge faced by all, but with local to regional effects.

On the preamble of the text, the LMDCs, the ARAB GROUP, the PHILIPPINES, and INDONESIA supported a reference to CBDR-RC, with some adding the Paris Agreement language of "in light of national circumstances." The US, NORWAY, and other developed countries rejected this reference.

On the substantive targets, developed and developing countries expressed concern about the timeline to achieve the targets by 2030.

In addition to the targets, the US suggested overarching principles to accelerate mainstreaming adaptation into development, increase development and delivery of climate information and early warning systems, and improve well-being through increased resilience of water and food infrastructure, and of health and ecosystems. The RUSSIAN FEDERATION suggested a target on education to increase resilience.

The EIG observed there are no baselines against which to measure progress. The LMDCs said all targets should be flexible and nationally determined.

On the procedural targets, the G-77/CHINA suggested 2030 as the timeline for all targets to align with the Sustainable Development Goals. NORWAY noted planning takes time, and suggested 2030 for the risk assessments and 2035 for the plans.

On means of implementation (MoI), the LEAST DEVELOPED COUNTRIES (LDCs) said these are largely missing, while the US said there are far too many.

The G-77/CHINA, with the AFRICAN GROUP, and AOSIS, suggested chapeau text specifying developed countries shall provide MoI and the finance should be provided on a highly concessional and grant basis. The EIG said MoI should be addressed in a broader sense. JAPAN suggested deleting "new and additional" finance, noting ongoing work on the new collective quantified goal on climate finance. The US and EU called for structuring MoI as in the Paris Agreement, rather than the cost estimate approach used in the draft text.

The AFRICAN GROUP, AOSIS, AILAC, and the LDCs rejected a reference to enablers of adaptation.

AOSIS and the LDCs characterized recognition of their special circumstances as "crucial." The LMDCs, ARGENTINA, BRAZIL, and URUGUAY (ABU) preferred the formulation in Paris Agreement Article 7 that refers to countries that are particularly vulnerable.

On further work, many developing country groups called for a stand-alone agenda item for the GGA, with the LMDCs specifying on both the SBs and CMA agendas.

On the dialogue on indicators, AOSIS wanted clarity on its modalities, inputs, and outputs. The ARAB GROUP suggested

two workshops. The US and UK, among others, suggested using the constituted bodies to undertake work on indicators.

Amin said ministerial consultations will continue.

Loss and Damage

Warsaw International Mechanism: In informal consultations, Co-Facilitator Lucas di Pietro (Argentina) invited delegates to comment on the memorandum of understanding (MoU) with the United Nations Office for Disaster Risk Reduction (UNDRR) and the United Nations Office for Project Services (UNOPS) on the hosting of the secretariat of the Santiago Network.

In a lengthy huddle, parties discussed "surgical" changes to improve the legal standing and clarity of the draft text. They

- state that the MoU does not prejudge or prejudice views or outcomes on matters related to the governance of the WIM;
- · clarify that UNDRR and UNOPS will "make available" rather than "make use of" regional and subregional offices in all UN geographical regions for the provision of relevant services and
- invite the UNFCCC Secretariat's legal team to strengthen the paragraph on the hosts' responsibility in case of negligence;
- ensure the secretariat of the Network shall manage and direct the disbursement of funds provided for the network consistently with UNOPS and UNDRR respective fiduciary "principles and" standards; and
- reference specific decisions with agreed language on how funding of the network should be undertaken.

Co-Facilitator di Pietro said the comments will be incorporated by the legal team, and a revised text will be shared informally for approval before being posted online in its final draft form. The final text will be included as an annex to the draft COP and/or CMA decision for adoption.

Response Measures

Report of the Forum on the Impact of the Implementation of Response Measures under the Convention, Kyoto Protocol, and Paris Agreement: Informal consultations focused on the new text produced by Co-Facilitators Andrei Marcu (Honduras) and Georg Børsting (Norway).

One developed country, supported by several other countries, considered the text on the review of the functions, work programme, and modalities of the forum in need of more attention and suggested postponing its consideration to SB 60 (June 2024). They suggested focusing on the text on the midterm review of the forum's workplan instead. Several developing country groups opposed and asked to continue engaging with the full text, which they deemed well-balanced. Parties proceeded to comment on all elements of the draft decision, requesting the Co-Facilitators to relay to the Presidency the different positions regarding a feasible outcome in Dubai.

On the midterm review, parties discussed four paragraphs with activities proposed for implementation by the forum and the Katowice Committee on Impacts (KCI). Some parties expressed concern that their proposals did not make it on the list, but were willing to engage on the text. The main disagreement related to two activities: regional case studies, and building awareness about the positive and negative impacts associated with subsidizing the electric vehicle (EV) industry.

On case studies, some parties were concerned about lack of time given to the preparation of three case studies already in the KCI's pipeline, and others were keen on adding a case study for each UN region.

Monday, 11 December 2023

On the impacts of subsidizing the EV industry, many parties suggested expanding the scope to the low-emission transportation industry or sector. Two developing countries proposed, in the spirit of compromise and to balance the list, to add an activity on studying the impacts of unilateral and cross-border measures, with one specifying it should be about carbon pricing.

On the review of the functions, work programme, and modalities, parties reiterated views already expressed in previous sessions. Some were keen on keeping the forum's and KCI's functions and areas of work the same, given its positive performance, while others wanted to enhance the forum and KCI to "make them even better."

On modalities, many developing parties and groups wanted to extend the duration and frequency of the forum and KCI meetings. While some developed countries preferred keeping the current duration and frequency, they called for expanding KCI membership to include a representative from each observer constituency group.

The overarching concern that loomed over the discussions on both functions and activities was whether the forum and KCI focus only on the negative, or on both negative and positive impacts of response measures.

The Co-Facilitators will revise the text and forward it to the Presidency for further instructions.

In the Corridors

From the outset, the COP 28 Presidency promised a transparent process. With time dwindling for negotiation and several key issues still up in the air, transparency was used strategically. Both the Heads of Delegation (HoD) meeting on the GGA and the Majlis—the council for all ministers to meet—were open to (some) observers and broadcasted online.

As one observer noted, this "shone the light on the key players." Some felt the more public-facing version of the HoD helped get agreement to work on the proposed text on the GGA. Whether this was more productive than the discussions on the GST that took place undercover, remains to be seen. Ministers and negotiators alike were seen entering and leaving Meeting Room 9, where no formal meetings were scheduled. There were rumors of a GST text in the works, with one observer claiming it was "awaiting tweaks from the Majlis."

The very staged performance of the Majlis didn't produce concrete proposals or compromises. But seasoned observers saw "a hint that support, in one form or another, for shifts to renewables are on the table." Many noted acknowledgements that the transition from fossil fuel is difficult and also offers of support, technology transfer, and capacity building. Rumors of a possible new or revised joint statement between the US and China had delegates intrigued in the evening. A seasoned observer held out hope for an ambitious update to the Sunnylands Statement issued a few weeks ahead of the conference, but feared the balance might "tip the other way." Given that language in US-China bilateral agreements often end up in texts, as with language around coal in Glasgow, it could prove a decisive last-ditch move.

By the end of the day, one thing was clear: the issue of just transition pathways took hold of the climate process, maybe not in the discussions on that work programme, as a delegate noted, but it increasingly featured in discussions on the GST and on the alignment of finance flows.



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