

## SD 🎯 Earth Negotiations Bulletin

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### **Bonn Highlights:** Saturday, 8 June 2024

Delegates continued sharing views on the new collective quantified goal on climate finance (NCQG), which attracted a crowd. The issue of finance also crept up in other rooms, whether regarding what to do with money from the Clean Development Development (CDM) Trust Fund or what focus to give a new dialogue on implementing the Global Stocktake's (GST) outcome.

### Negotiations and Mandated Events

Procedural and Logistical Elements of the Overall Global Stocktake Process: In informal consultations, Co-Facilitators Patrick Spicer (Canada) and Thureya Al Ali (UAE) invited views on a revised informal note. Participants made a number of specific textual proposals concerning, inter alia:

- · whether the technical assessment should take place over an accelerated time frame;
- improving the transition between the technical assessment and the consideration of outputs;
- · inputs and information-gathering, with the ARAB GROUP urging a balance between Intergovernmental Panel on Climate Change (IPCC) and non-IPCC sources; and
- the composition of the High-Level Committee of future GSTs. The Co-Facilitators will refine the informal note.

Modalities of the Dialogue on Implementing the Global Stocktake Outcomes: In informal consultations co-facilitated by Patrick Spicer (Canada) and Ricardo Marshall (Barbados), parties shared views on an informal note which outlines the three different visions they have with regard to the scope of the dialogue and its modalities.

Parties reiterated their preferences with respect to the dialogue covering all aspects of the GST outcome or focusing on finance. The ENVIRONMENTAL INTEGRITY GROUP (EIG) and the EU objected to including elements on the dialogue's "origin story," noting parties' divergent interpretation thereof. The INDEPENDENT ASSOCIATION OF LATIN AMERICA AND THE CARIBBEAN (AILAC) considered the dialogue should focus on all actionable elements of the GST outcome, with emphasis on gaps and barriers related to means of implementation. The UK expressed willingness to engage on AILAC's suggestion, asking for clarification on how it would work.

EIG and NEW ZEALAND expressed concern over some groups' reluctance to discuss mitigation, with the EU underscoring the GST outcome calls for action by all parties, not just developed countries.

The EU, US, and AUSTRALIA called for the dialogue to address issues that are not covered in existing workstreams, with the EU pointing to the issue of reforming the global financial architecture, among others. The LIKE-MINDED DEVELOPING COUNTRIES (LMDCs) agreed on the need to avoid duplication and underscored that tracking collective progress will be addressed in the next GST.

The Co-Facilitators will refine their informal note, keeping the three visions separate but streamlining each.

#### Mitigation Ambition and Implementation Work

**Programme:** In informal consultations, Co-Facilitator Kay Harrison (New Zealand) proposed that, due to divergent views on how to move forward, participants discuss the improvement of future global dialogues and investment-focused events.

EIG, the ALLIANCE OF SMALL ISLAND STATES (AOSIS), AILAC, AUSTRALIA, the US, and others stated that they would only engage on the topic with the assurance that other issues would also be discussed. LMDCs, the ARAB GROUP, and others supported the proposal, although the ARAB GROUP noted that certain parties were "holding progress hostage until we discuss issues outside the mandate of the work plan."

Parties were ultimately unable to agree on a way forward Guidance on Cooperative Approaches referred to in Paris

Agreement Article 6.2: During informal consultations cofacilitated by Maria Al-Jishi (Saudi Arabia) and Peer Stiansen (Norway), parties continued to provide general reflections on the draft CMA decision text. Parties identified where their views had not been fully reflected and also sought clarification on some of the options in the text.

In the afternoon, the Co-Facilitators invited parties' input for the preparation of draft conclusions, including items from the draft CMA decision text that parties may wish to move into the draft conclusions. All parties agreed to send the draft CMA decision text for continued consideration at SBSTA 61.

On intersessional work, many parties, including EIG, the COALITION FOR RAINFOREST NATIONS (CfRN), AOSIS, the EU, UK, US, and others, opposed by the LEAST DEVELOPED COUNTRIES (LDCs), supported intersessional work focusing on crunch issues such as authorizations, registries and the Agreed Electronic Format. CfRN said the intersessional work should include high-level participation. Parties also expressed diverging views on whether it should be fully in-person, virtual, or hybrid.

On elements that the SBSTA can conclude on at SBSTA 60. most parties supported moving the text on emission avoidance to the draft conclusions and specify that it should be considered

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as part of the review of the Article 6.2 guidance in 2028. The PHILIPPINES opposed, preferring that the text remain in the draft CMA decision text to be forwarded to SBSTA 61. Other elements proposed by parties for inclusion in the draft conclusions include common nomenclatures, confidential information, and corresponding adjustments.

The Co-Facilitators will prepare draft conclusions.

Rules, Modalities, and Procedures for the Mechanism established by Paris Agreement Article 6.4: In informal consultations, Co-Facilitators Kate Hancock (Australia) and Sonam Tashi (Bhutan) invited parties' views on elements to include in draft conclusions.

Parties agreed on the need to continue consideration of the draft CMA decision text at SBSTA 61, although they had diverging views on whether to "forward," "welcome," or "note" the text in the SBSTA 60 conclusions.

The EU, US, UK, and JAPAN expressed willingness to consider intersessional work if held in conjunction with meetings of the Article 6.2 group and focused on cross-cutting issues such as registries and authorization. The AFRICAN GROUP, LDCs, CfRN, LMDCs, CANADA, and others said there is no need for intersessional work.

Additionally, most parties supported moving the text on national arrangements, and on emission avoidance and conservation enhancement activities, from the draft CMA decision text to the conclusions, and to consider these topics as part of the 2028 review of the mechanisms' rules, modalities, and procedures. Diverging views remained on whether to specify that emission avoidance activities will not be included in the mechanism pending the review.

The Co-Facilitators will prepare draft conclusions.

Work Programme under the Framework for Non-market Approaches referred to in Paris Agreement Article 6.8: Contact Group Co-Chairs Jacqui Ruesga (New Zealand) and Kristin Qui (Trinidad and Tobago) invited parties to reflect on the in-session workshop on non-market approaches and the two spin-off groups held over the last few days, and to provide input on the SBSTA conclusions, including regarding potential intersessional work.

Parties expressed appreciation for the workshop and spin-off groups. LMDCs, supported by the EU, GRUPO SUR, and the US supported using future spin-off groups as capacity-building opportunities, focusing, among others, on how to use the web-based platform. Parties also provided suggestions on how to improve future spin-off groups, such as providing guiding questions in advance, inviting stakeholder participation, and assigning a champion to encourage engagement in the discussions.

The Co-Chairs will prepare draft conclusions.

**Operation of the Clean Development Mechanism:** In informal consultations co-facilitated by Alick Muvundika (Zambia) and Karoliina Anttonen (Finland), discussions focused on the proposal by some parties to postpone further consultations under this agenda item to SBSTA 61 or 62.

The EU, EIG, AOSIS, and the UK opposed postponement, underlining a decision must be made on this item by the Conference of the Parties meeting as Parties to the Kyoto Protocol (CMP) in Baku. LMDCs and the ARAB GROUP supported postponement to SBSTA 61 and BRAZIL preferred postponement to SBSTA 62.

The AFRICAN GROUP, opposed by BRAZIL, proposed agreeing on an amount to be transferred to the Adaptation Fund

as a minimum outcome of discussions. The EU supported this proposal, noting that money can also be transferred to support the development of the Article 6 infrastructure.

LMDCs, supported by the ARAB GROUP, proposed requesting the Secretariat to prepare a technical paper for consideration in Baku, outlining: ongoing activities within the CDM; when the Article 6.4 mechanism registry will become operational; and a detailed financial breakdown of the CDM Trust Fund.

The Co-Facilitators will prepare draft text.

Global Goal on Adaptation: In informal consultations cofacilitated by Tina Kobilšek (Slovenia), parties shared their views on a revised informal note.

The G-77/CHINA said the Adaptation Committee (AC) may contribute to, but not lead, the mapping process on indicators. AOSIS stated that allowing the AC to lead the work may politicize the process and result in lack of transparency.

On engaging experts in the indicator process, the AFRICAN GROUP stressed the importance of a party-driven nomination of experts and emphasized diversity in terms of gender, skills, and experience. AILAC and EIG called for balanced regional representation of the expert group, particularly from developing countries, with AILAC urging sufficient financial support for them

AILAC, GRUPO SUR, and EIG welcomed the provision recognizing the importance of engaging with Indigenous Peoples in all phases of the work under the Global Goal on Adaptation (GGA).

AOSIS and LMDCs cautioned against increasing developing countries' reporting burden. AOSIS, AILAC, and LDCs supported the inclusion of data readiness in the proposal.

**National Adaptation Plans:** In informal consultations cofacilitated by Antwi Boasiako Amoah (Ghana), parties agreed that the draft decision text is a good basis for further negotiations.

JAPAN emphasized the benefits of involving the private sector to promote and contribute to adaptation in communities. Others, such as GRUPO SUR and LMDCs, opposed, with PAKISTAN enumerating the reasons why private sector involvement is a challenge for many developing countries.

LDCs, with AOSIS and the EU, called for stronger language recognizing the special needs and circumstances of small island developing states (SIDS) and LDCs in all relevant paragraphs of the text. The EU and GRENADA suggested stronger language on gender-sensitive approaches to the implementation of national adaptation plans (NAPs). CANADA encouraged text that clearly conveys utilizing NAPs to facilitate climate action, particularly with contributions from Indigenous Peoples.

The Co-Facilitators will revise their text.

Terms of Reference for the 2024 Review of the Warsaw International Mechanism for Loss and Damage Associated with Climate Change Impacts: In informal consultations, Co-Facilitator Pepetua Latasi (Tuvalu) presented an elements paper, noting that further work was needed to: streamline the document; structure the section on scope; and consider modalities.

On inputs to the review, the G-77/CHINA took exception to the Co-Facilitators' decision to feature the group's suggested list of inputs in a footnote, rather than the main body of the text. The Co-Facilitators specified that inclusion in a footnote suggests adoption alongside the text, not any lesser importance.

On scope, the G-77/CHINA supported a broad review of the Warsaw International Mechanism for Loss and Damage (WIM)

and its functions, and pressed for the inclusion of stakeholders from outside the Convention. The US, opposed by AILAC and GRUPO SUR, suggested considering how the functions of the WIM have been implemented, but not review the functions themselves.

LDCs said the review should reflect on the establishment of the new loss and damage Fund. AILAC and the ARAB GROUP opposed renegotiating the composition of the WIM Executive Committee

Discussions continued in informal informals.

Second Meeting under the *Ad Hoc* Work Programme on the New Collective Quantified Goal on Climate Finance: Work programme Co-Chair Zaheer Fakir (UAE) invited views on a revised input paper. Parties considered the paper could be further streamlined, with various groups and parties pointing to elements they want to see removed, inserted, or reinserted.

The EU, US, AUSTRALIA, and CANADA considered progress could be achieved by fostering substantive discussions on issues such as access and transparency, pointing to commonalities between parties' views on these.

The ARAB GROUP and CUBA called for engagement on the quantum of the goal, with the AFRICAN GROUP calling for clarity on provision and mobilization targets. CANADA noted agreement on the importance of public finance by developed countries and suggested informal engagement on broader consideration aimed at closing the finance gap.

The Co-Chairs will revise their paper before the next session.

**Just Transition Work Programme:** Co-Chair Kishan Kumarsingh (Trinidad and Tobago) presented draft conclusions text. He expressed hope that parties would agree on the draft conclusions to be adopted at SB 60 and then move on to draft decision language, due by the end of SB 61.

CANADA, the US, and JAPAN suggested deleting a paragraph which encourages holding the second dialogue under the work programme intersessionally, well in advance of the CMA meeting in Baku. They argued that this text contradicts the spirit of engaging both party and non-party stakeholders, and that dialogues should take place in conjunction with meetings of the Subsidiary Bodies.

The G-77/CHINA requested language encouraging increasing the participation of non-party stakeholders from developing countries. CANADA requested a paragraph encouraging the Chairs of the Subsidiary Bodies to prepare an informal report reflecting the summary of dialogue discussions "in a balanced and comprehensive manner."

LDCs and LMDCs requested bracketing a paragraph specifying discussions at SB 61 would take into account draft decision text prepared by the Co-Chairs until parties can consider the text.

The Co-Chairs will revise the proposed draft conclusions and prepare draft decision text.

Joint Work on Implementation of Climate Action on Agriculture and Food Security: In informal consultations co-facilitated by Annela Anger-Kraavi (EU), parties mandated the Co-Facilitators to prepare a new draft conclusion text based on the significant progress achieved during informal informals.

**Dialogue on Action for Climate Empowerment:** SBI Chair Nabeel Munir (Pakistan) opened this two-day <u>mandated event</u>, recalling that Action for Climate Empowerment (ACE) is a toolbox for empowering society to collectively tackle climate

change. He noted parties are now laying the grounds for their next nationally determined contributions (NDCs), which is a key opportunity to build a whole-of-society consensus towards enhanced climate action.

Executive Secretary Simon Stiell urged parties to address education and training in their NDCs. "We cannot let shortage of qualified labor slow the transition," he said, noting the need for both upskilling within existing professions and developing the future workforce. He underscored the importance of peoples' buyin, without which there is a risk of backlash against climate policy.

Discussions touched upon, among others:

- leveraging non-formal forms of education, such as scouts groups or sports clubs;
- creating national youth councils to promote youth engagement in decision making;
- providing financial support for ACE implementation, such as through the <u>International Climate Initiative</u> or the <u>Youth4Climate Call For Solutions</u>; and
- tailoring messages to specific cultural contexts.

Arrangements for Intergovernmental Meetings: SBI Chair Munir requested that the Secretariat report on the UNFCCC Code of Conduct. MEXICO requested further information on follow-up to complaints, suggesting there is "room for improvement" in the system.

Participants discussed the issue of observers' attendance in an increasingly crowded and resource-limited process. The EU, CANADA, NORWAY, and MEXICO requested that host country agreements be made public, and that these agreements include language ensuring that all stakeholders retain full enjoyment of human rights. BRAZIL requested that greater representation be secured for observers from developing country organizations. SWITZERLAND warned that setting fees for developed country organizations could unintentionally bar organizations from the process.

CLIMATE ACTION NETWORK stressed that effective participation of observers should not be measured the number of participants, but in the quality of participation. INDIGENOUS PEOPLES' ORGANIZATIONS called for Indigenous Peoples to be identified as rights holders, not stakeholders, and therefore be given speaking priority ahead of intergovernmental organizations.

#### In the Corridors

Despite the brilliant sunshine and the tourists drinking lemon sodas by the river, the Saturday mood in the World Conference Center was decidedly studious. Eagle-eyed long-term delegates noted the absence of a stocktaking plenary at the end of the week's deliberations: the event, though not required, has been a staple of past negotiations.

"Are things not going as well as we want them to, or is everyone just too busy to take stock right now?" one observer asked. Those surveyed angled towards the latter: with several items going into informal informals, it was clear that not all Co-Facilitators were going to have the Sunday off that most participants were longing for.

"If we're all busy—good," one delegate nodded. "We only have four days to wrap things up before Baku." Those heading out into the sunset with visions of Biergartens and Spaghettieis seemed trusting that a day off will be enough to untangle the worst disagreements—or at least hoped that would be the case.



# Climate Negotiations Glossary





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